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THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, DECEMBER 1, 1896.

No. 1.



“The Insurance Observer is a necessity for all.”

INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - - \$2.00 per annum.

European Subscription (postage free), - - - - 2.40 “ “

Payable in Advance.

Single copies, - - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

OUR ANNIVERSARY.

A year ago *THE INSURANCE OBSERVER* was launched “upon the sea of insurance journalism, already dotted with numberless craft, whose trips to every part of the world carry the story of a mighty people’s progress and thrift.” In closing the announcement of our new venture we said: “*THE INSURANCE OBSERVER*, in joining a fleet so vast in proportions and so efficient in service along nearly all lines, will be pardoned if it refrains from naming its class. What it shall be depends not upon what it promises to be; achievement is not measured by declaration. We hope to make a fair start, to foul no competitor, to fly no protest flag, and to win the race by merit or not at all.”

We have nothing to add to nor to take from the above statement of our position. Neither do we propose to pass judgment upon our own record. We are indebted to many journalistic scribes, and we may add some pharisees, for attempts to name *THE INSURANCE OBSERVER*’s class. Those efforts have seemingly amused them and have not hurt us, so we have not departed from the policy originally determined upon to avoid making our paper a mere vehicle of venomous abuse of rivals.

While we view with indifference the expressions of malice of the vicious, and have nothing to fear from them, we do regret that of the reputable papers devoted to insurance (not a very large class it is true), a very few have passed hasty and unfair judgment upon us. Their good opinion we hope yet to gain.

In the exercise of our obvious right to criticize, we have endeavored to deal justly with all men. To those who have impugned our motives our only answer is, that by that standard which you would measure us by that standard you do measure yourselves. If our criticisms suggest to your mind the motive of blackmail, the suggestion has its birth in the desire lodged deep in your own mind. Against the imputations of maligners and of time-servers we are ready to set off the opinions of the business men in the insurance world who

have had years of friendly relations with the representatives of this paper. By their statements we are ready to stand or fall.

THE INSURANCE OBSERVER enters upon its second year, trusting that it may come nearer its ideal of worth and merit than it has yet attained. Its shortcomings are acknowledged, and are the more regretted because the generous recognition it has received imposed upon it the obligation of better deserving it. We shall try and try again.

THE BROADWAY DEAL.

It is an interesting question, yet undecided, whether the re-insuring contract of the Broadway Insurance Company with the Hartford Insurance Company is a valid contract. We think that it is, else every contract to reinsure property made by the directors of an insurance company is void. We do not see how it is possible for the directors of the Broadway legally to reinsure \$1,500,000 of risks, the amount reinsured at the close of last year, and it not be legal for them to reinsure \$35,000,000 as they now have done. As for winding up the company, that is for the stockholders to decide. They may go ahead and resume business, but they will have to hunt for new business. That is as it looks to us now.

LIVERPOOL AND LONDON AND GLOBE.

The Liverpool and London and Globe Insurance Company has put a safe obstacle in the way of any one who would steal its good name. It has organized a company under the laws of New York to be called by the name of the paternal organization. The precaution was necessary, as the license of American liberty permits the stealing of almost anything that belongs to a foreigner, either name, copyright or birthright.

NEW YORK’S SUPERINTENDENT.

That the politicians know the value of the office of Insurance Superintendent in this State is evident from the names which have been mentioned for the place. The prime favorite appears to be Louis F. Payn, and everybody who knows anything about New York politics knows where he is at. It may be that Mr. Payn’s limit of vision is not bounded by the horizon of the immediate emoluments of the office itself. He may have far and away aspirations constrained by no pent up Ulica of a State department.

U. S. CASUALTY.

Things appear to be seething in the United States Casualty. Only a short time ago the company found it necessary to cut off the advertising patronage it had been supplying to the papers which reciprocated with kind notices. Now the *Insurance Press* publishes a report that the syndicate back of Thomas Byrnes, of the Burglary Department, “has recommended that \$150,000 be paid into the company as a contribution for surplus account, to provide for the reserve on its increased business. It is stated that the old shareholders are not entirely agreeable to the proposition, and that in all likelihood the syndicate will withdraw and form a new company with \$500,000 capital and \$250,000 surplus, for the transaction of burglary business only, and that Mr. Byrnes will be made the president of the new company.” Interesting developments may be looked for later.

A ONE PER CENT. VERDICT.

The verdict of a jury is a sort of judicial medicine which it is wisest to gulp down without first engaging in the formality of shaking it. The more a verdict is subjected to agitation the more it discloses the heterogeneous character of its molecules, and the more it disturbs confidence in its efficacy as a remedial agent. We have therefore no desire to view with a critic's eye the verdict rendered by the jury in the case of Josephine Whitlatch, against the Fidelity and Casualty Company a couple of weeks ago, although we should like to see the mathematical formula by which the verdict was worked out. The suit was on a policy of \$10,000 issued to the plaintiff's husband, who was found dead in his room in a hotel in San Francisco. The wife claimed that he had been murdered; the insurance company insisted that it was a suicide. There were three trials, in the first the suit was thrown out of court, in the second the jury disagreed, and in the third the plaintiff obtained a judgment for the full amount. This judgment was reversed by the Court of Appeals and a new trial was ordered, making the fourth. That trial has just been had and the jury found for the plaintiff in the sum of one hundred dollars.

As the policy called for \$10,000 if the man was murdered and for nothing if he committed suicide, the verdict for \$100, or one per cent. of the amount of the policy, is a curio, a fine example of logical bric-a-brac. The inference is that the jury viewed the matter somewhat in this light. The man took 99 per cent. of his own life, and someone to the jury unknown came in and finished the other one per cent. of it. For that portion the company is clearly liable. The analytical powers of that jury's mind grind exceeding fine.

MR. EVANS A PREFERRED RISK.

Vice-President Evans, of the Continental, has come out of his third railway accident without impairment, physical, mental or otherwise. He was in the New Brunswick smash-up on the Pennsylvania Railroad last month, and his friends were delighted to hear that he escaped injury. We congratulate Mr. Evans on his good fortune, and recommend that he be placed in the preferred class of all accident companies.

THE INSURANCE COUNSELOR.

The first oomber of the *Insurance Counselor* fulfills the purpose of its progenitor to deserve success. Mr. J. Thompson Paterson, editor and manager, has ably performed the duties of his dual position. He has edited and managed well. That his paper would be a very able champion of the "National premium or assessment system of life insurance," every one who knows Mr. Paterson had a right to expect. The first issue has warranted the expectation.

REFEREE REED TO RECEIVE.

The Hon. Thomas B. Reed is to arrive in New York to-night, and on December 3, one hour after high noon, he is to meet at the Astor House the presidents and other high officials of the life insurance companies of this and other cities. Mr. Reed is better known to insurance men than most of them are known to him, but after one or two festive occasions, such as Thursday's meeting is likely to be, Mr. Reed will know them all, and, after that, he will never believe that they could do anything wrong. He will consider his Insurance Police Justiceship a stoccure.

SYSTEMATIC SAVING.

The man who is his own lawyer has a fool for a client, and the man who acts as his own insurance company has a fool and a failure for his policy holder. It is easy to argue that certain sums deposited in the bank at compound interest will in a certain time amount to more than the life insurance policy. The trouble with such arguments is that there is nothing certain about them but their uncertainty. Human nature is not built that way. Experience has proved that the man who can save systematically without the aid of life insurance is very rare indeed, and too often his efforts fail in the end, and the man who can systematically carry about in his own pocket the reserve on his own natural premium policy is still rarer. Regular life insurance has been tested and found certain.—*Weekly Statesman*.

There is a whole encyclopedia of philosophy and natural history in the above. We have only this to add, that the man who can systematically carry about in his own pocket the money he should apply to insurance is not only "rare," but he is apt to be an old screw. The demands upon "mooey in aight" are so many and so meritorious that it is only the mean man who can keep his dollars clutched in his fingers and have them when the time of his own necessity arises. The average man needs a burglar proof safe for his surplus cash, one into which his sympathies can not break. Rarely does a man worth insuring die without insurance, who has out to his lifetime given to others more than enough to have carried a policy that would have left his family in absolute if not luxurious independence.

HELPING THEM TO GET OUT.

Some life insurance officers," says the *Insurance and Financial Gazette* of Belfast, "makes a great how-d'ye-do over advancing a loan to a policy holder, within—it is always within—the surrender value of his policy. The transaction is made to smack of a concession and of a compliment, which helps to assist oil to ooze out and allay the troubled waters of interest charges."

This is introductory to an argument favoring the loaning of mooey to policy holders upon their policies. The conclusion presented is that both the insured and the company are benefited. The benefits in either case are questionable. Borrowing on an insurance policy is too frequently only one step removed from surrendering it altogether. When the policy holder finds that the times are hard, he may not be disposed to let his insurance go by the board, but borrowing on his policy is more or less tempting, and first the loan and then the lapse is the natural procedure. A loan that may tide over a temporary embarrassment is all right, but too often the loan is only one plunge deeper into disaster, and the man who hocks his policy to help himself out of a financial difficulty, more frequently than otherwise discovers in the end that he has only injured his dependents without saving himself. Inducements to policy holders to mortgage or surrender their insurance are not as a rule helpful to them or in line with true insurance principles.

GEE WHIZ!!

The name of Solomon H. Snider has been mentioned for the vacant insurance commissionership of Kansas. Yes, it is the same old Snider who used to play with his wheels in that department before. And why not Snider? He would be only one patch in the crazy quilt government of the Populist state and quite in harmony with it.

LIFE INSURANCE CLEARING COMPANY OF ST. PAUL.

This company presents a number of points which commend it to the insuring public. Some of them are as follows:

Its policies afford reliable insurance protection to a selected class of "Average" and "Under-average" persons who cannot secure insurance in other companies.

It places no unjust embargoes upon its policy holders in way of heavily loaded or excess premiums.

To those that are rated as "Average" risks, it issues a policy payable for its full face value from date of issue, and upon which there is no "lien" or "scaling" whatever.

To those that are substantially "Under-average," it issues policies that provide just as much indemnity, and at identically the same cost as in "old line" companies, if by living a specified (limited) period, the insured proves himself to have been a "select" risk.

That no matter what may be the condition of the insurer, either physically or financially, its policies are perfectly adjustable and thoroughly equitable in all their provisions.

It confines its operations exclusively to the "Sub-standard" or "Under-average" class.

INSURANCE INDEPENDENCE.

The organization of a Texas life insurance company for the purpose of "keeping money at home" and preventing it being carried off, is made the text of a very interesting article in the *Traveler Record*, which says:

Moreover, the assumption itself is wrong: the money is not even "carried off." More than a quarter of it, represented by commissions and taxes, never leaves Texas, for instance: more than half of it, if it is fire premiums, soon comes back for losses; if for life premiums, most of it ultimately returns. Whether, meanwhile, it is "invested in some distant state" depends on several things. Unhindered by obnoxious statutes, money goes where it brings the highest interest without too much risk. All notion about its being "heaped up" or "locked up" in anybody's possession is due to ignorance, except that in times of distrust it is locked up, because of fear of loss. You cannot make a heap of water on a barn floor by pouring on one spot—it "runs;" just as quickly and surely does money, left unhindered, seek its level, the level for money being the most advantageous place for its employment. If I borrow of the hated "capitalist," what he delivers to me is not really money, but houses, farms, ships, cattle, machinery; the credit he transfers is a lump which I may run and convert into just what I please. I may take it in fireworks and set it off, or I may "blow it in" by some unwise employment; in such case it is my loss, and perhaps his as well. If Texas wants outside money she can have it, by inviting it, not by threatening the capitalist, small and large. Legislation, actual or proposed, to hinder the collection of debts, immediately hinders the creation of debts also: merchants decline to trust and investors to lend. Attempts to tamper with the currency are even worse; they disturb and threaten everybody and everything, and the "softer" money becomes in the handling the harder in the getting.

Would Texas like to keep her own money and do her own insuring? She has a vast and thinly settled territory, with plains breeding cattle, which form her chief stock for trade. Suppose Texas keeps her own money and gets none from outside, consuming her own cattle? Of course the Texan will smile, knowing that the world must have his cattle: but equally must he have the world. Commerce is an exchange of facilities, in a right bargain each party being gainer because giving what costs him less than what he gets in return would cost him. There is no literal independence in the civilized state; interdependence and intercourse are God's law for the universe. One grain of corn in a lone field will produce stalk, but not fruit.

The adult is hardly more independent than the infant, for a close analysis will show that thousands of other persons have contributed to the clothes we put on in the morning and the breakfast we eat. The most independent man—even he is not quite so—is the savage who dresses in his skin, eats meat raw, and grabs for roots with his fingers.

So it is best for states and individuals to be largely and widely, to buy their insurance of those who "the best facilities for that, to promote commercial interest to the utmost, to offer inducements to outside capital while they have need of it, and not to bother about money 'going abroad.'"

DR. THOMAS A. FOSTER R.

Dr. Thomas A. Foster, who, for the last fifteen years, has been Medical Director of the Union Mutual Life Insurance Company, died on November 27th. Dr. Foster was a most estimable gentleman and a faithful and efficient official. His loss will be seriously felt by the company for he possessed exceptional qualifications for his important position.

EDITOR TILLINGHASTE.

Out of a plenitude of material offered the *Insurance Record* has selected an editor who is fully capable of filling the important position. Mr. Benjamin P. Tillinghaste is announced as the successor of the lamented Nat R. Freeman. Mr. Tillinghaste has had five years' experience in insurance writing. He is a bright writer and well equipped journalist, able, in our opinion, to keep the *Record* up to its old standard as a readable and lively paper.

FOREIGN BUSINESS.

A Berlin dispatch to the *Journal of Commerce* says: "The New York Life Insurance Company, having complied with the requirements of the Prussian laws governing foreign insurance companies doing business in Prussia, is about to receive permission to resume business in Berlin."

While there is doubt if the report be correct, it agrees with certain information which we obtained a few weeks ago. It again raises the question whether it is wise for insurance companies to extend their business into foreign fields.

The seven State Commissioners who examined the New York Life a few years ago, in their report enumerated very many objections to the foreign business of our life insurance companies, among them: Its complicated character, owing to the varying languages, laws and methods of business; the necessity of conducting it by correspondence; the writing of policies without the inspection of the officers of the company; the placing of its administration in the control of local managers beyond the intimate knowledge and inspection of the home office; and the depositing of funds with foreign state authorities, the control of which passes from the company for a generation, or even into "eternal forfeiture."

The following extract from the report states the case in unsavory terms:

With only general common sense business principles to guide, but with all proper deference for the claimed results of this desultory foreign experience, the Commissioners are unable to conclude that the general and permanent interests of the United States members, for whose benefit alone these companies were created, are in any degree or some promoted or improved by importing into their body a mass of Hindu and Slave, South African, East Indian and Patagonian, or indeed any foreign (sic) element at all, nor that the financial condition is improved by forced investments in those countries, and their current re-contribution to the company, and any other similarly conditioned and circumstanced, would be to discontinue the indulgence of these foreign excursions and concentrate and combine their energies upon the abundant American field.

OBSERVATIONS.

Mrs. Knight: "Does your husband treat you the same now as he did when he was courting you?"

Mrs. Laight: "Pretty much. He keeps me in the dark!"
—*Fowler's Statesman*.

The Provident Savings Life Assurance Society has issued its calendar for 1897. It is a work of art that will find a ready welcome in both home and office.

She: "It must be a terrible thing to be paralyzed."

He: "It is. You feel so mean the next morning."—*Life*.

Wind and perjury are all the capital that is needed to start a mutual fire insurance company, and it is not surprising that the harvest is large. The authors of the *Wissahickon Mutual* of Philadelphia, who say "Philadelphia is slow," are charged with putting too much of those ingredients into their "mutual," and there are five men in jail for it if they have not been bailed out. They are accused of issuing non-assessable policies which turned out to be non-payable policies. Paying losses did not enter into the scheme of the "Wissahickons," and there was a kick-in' when the policy holders found it out.

"Your life has been one of many reverses," said the kind lady.

"Yes'm," answered Dismal Dawson. "Bout every place I turn up I git turned down."—*Indianapolis Journal*.

The Magdeburg Fire Insurance Company has obtained its license to do business in New Jersey. It will get into New York eventually, and will not have to wait very long either, we're thinking.

The following was copied from a notice posted on a building: "Notice—Tenants should be careful not to throw cigars or lighted matches about. Otherwise they may set fire to the building and oblige John Blazer, proprietor."—*Trib-Bits*.

Col. John W. Vrooman presided at the ceremony of dedication of the monument erected by the State of New York to Brigadier-General Nicholas Herkimer, at Little Falls, N. Y., on November 12, 1896. Col. Vrooman was chairman of the commission appointed by the Governor to erect the monument. His graceful eulogy of the old Revolutionary patriot was a most happy effort.

"Do you want a shirt that opens in front or one that opens in the back?" asked the salesman.

"Don't keer where it opens," answered Uncle Silas, "so it's got an openin' at the top an' bottom."—*Chicago Tribune*.

Ikky Rosenbaum: "'In der pright leigason ouf your dere's no such vort as vail'—vor does dot mean, Vader?"

Sol Rosenbaum: "Dot means, mein sohn, dot you must be patient undt wait until you've got years of discretion, undt den you gan aggombliish somedings."—*Puck*.

Client: "I took out a life insurance policy recently for my children's benefit, and I—er—stated my age as thirty-five, which—er—which was not quite correct. Will that affect the validity of the policy?"

Lawyer: "Not at all, madam—not at all. In order to avoid payment the company would have to claim that they were deceived by your representations."—*Puck*.

Gov. Bulkeley of Connecticut has had almost as much fun out of the late Presidential campaign as if he had been elected Vice-President, which nearly happened to him. The Governor was credited by the *New York Journal* with raising a subscription of \$1,000,000 for the Republican campaign fund, and when the *Hartford Times* interviewed him about the matter, he said: "You can say that I've got most of the million, and the rest of it is in sight. I will have it all by to-morrow night." This was "sarkasm," but the *New York Journal* swallowed it and took judgment *pro confesso*.

"The Mixers have a beautiful new dog, George. I saw Mr. Mixer out with him this morning. He had a lovely new collar and a sky blue blanket."

"Who, Mixer?"

"Why, no, the dog. I think he has Irish blood in him. He looks just like a bulldog my Uncle Jim once owned."

"Mixer looks like your Uncle Jim's bulldog?"

"Who said anything about Mr. Mixer? I'm talking about the dog. It was amusing to see the demure way he walked behind his master. But just as they passed our house Miss Badger's cat crossed the street, and you should have seen that dog jump! He pulled the cord around Mr. Mixer's legs and made one terrible bound for the poor kitty. But Mr. Mixer held on to him. When he found he couldn't get the cat he sat on the sidewalk and howled like a lost demon."

"Mixer howled like a lost demon?"

"D.J. I say Mixer howled? You know I said the dog howled."

"Yes, it said he howled."

"Well, why shouldn't I say he howled?"

"Because the name of Mixer's new dog is Lizzie!"—*Clareland Plain Dealer*.

The *New York Herald*, discussing a fire in a Wall Street skyscraper, remarks: "The firemen, we are told, had to drag the hose up the stairs to the eighth story." Really, that is too bad. The firemen and their hose should have been allowed to ride in the elevator.

For some time past there have been rumors of negotiations involving a change in the control of the Provident Savings Life Assurance Society. So far as we can learn nothing has come out of it yet.

The Norwich Union becomes a centenarian next year, and a great historical work commemorative of the event is now being prepared in the editorial department of that company.

She: "I understand you proposed to Emily while out for a stroll last night?"

He: "Yes; I won in a walk."—*Yonkers Statesman*.





"Johnny," called his mother, "stop using that bad language."

"Why," replied the boy, "Shakspeare said what I just did."

"Well," replied the mother, growing infuriated, "you should stop going with him—he's no fit companion for you."
—*Tu-Bu.*

Isaacs: "Vot? Dey von't gif me sixty days' credit?"
Young Isaacs: "No, dey say dot you failed only three months ago."

Isaacs: "Yell, did dey efer know me to fail twice inside of six months?"—*Truth.*

THE Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - - DIGBY JOHNSON.

January 1, 1896.
Assets, - - - - - \$2,007,890.04
Liabilities, - - - - - 1,037,814.70
Net Surplus, - - - - - \$770,041.84

Trustees in the United States.
DONALD MACKEY, Esq., of Toronto & Co.
CORNELIUS N. BLISS, Esq., of Bliss, Putnam & Co.
H. J. FAIRBANKS, Esq., of The H. B. Claflin Co.
EDWARD LITCHFIELD, Manager New York Office.
PAUL E. EASON, Assistant Manager New York Office.

1850.

1896.

The United States LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty-six years of practical life insurance, which has taught it that the surest way of success is the adoption of good plans of insurance and the pursuit of a liberal policy towards both its insured and its agents. These essentials it possesses in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are incontestable after two years. They are non-forfeiting, providing generally for either paying policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its course during the past forty-six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the
HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
C. P. FRANKLIN, Secretary. A. WILKELWRIGHT, Assistant Sec'y.
W. T. STANLEY, Actuary. ARTHUR C. PERMY, Cashier.
JOHN F. MUNN, Medical Director.

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GEORGE G. WILLIAMS, President Chemical National Bank, Broker.
JOHN J. TUCKER, F. B. PERKINS, JR., President Importers' and Traders' National Bank, Leather.
JAMES R. PLUM, - - - - -

London and Lancashire



Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,

NEW YORK.

A. G. McILWAINE, Jr.,

Manager.

THE

INSURANCE OBSERVER

IS PUBLISHED SEMI-MONTHLY.

EACH ISSUE HAS

TWO FULL PAGE

CARTOONS

ON CURRENT TOPICS,

BY THOMAS NAST.

In its columns are discussed all Insurance matters of interest and up to date.

Subscription Price, \$2.00 per Annum.

PUBLICATION OFFICE:

55 Liberty Street.

BOUND VOLUMES

OF

THE INSURANCE OBSERVER,

DECEMBER 1, 1895, to DECEMBER 1, 1896.

\$2.00 each.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserves for Insurance in force, etc.	4,191,080.12
Net surplus	5,015,808.12
Policyholders' surplus	2,015,808.12
Gross assets	7,219,888.12

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary. CYRUS FECH, Treasurer.
R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.
WESTERN DEPARTMENT, MILWAUKEE, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

Bankers Life Insurance Co.

OF THE CITY OF NEW YORK.

RICHARD MORGAN, PRESIDENT.

ADVISORY BOARD.

J. EDWARD SIMMONS, President Fourth National Bank, New York.
CHAR. H. FANCHER, President Irving National Bank, New York.
STEPHEN BAKER, President Bank of the Manhattan Co., New York.
EDWIN S. BARNES, Pres. Bank of N. Y. National Banking Assoc'n, N. Y.
A. B. HUGHES, Pres. Third Nat. Bank, N. Y. Late Comp. of Currency, U.S.A.
Policies issued year 1895 \$100,000 || Policies issued year 1904 | 2,900,750 |
| Policies issued year 1905 | 6,813,500 |
| Percentage of increase year 1905 over year 1904, 136 per cent. | |

Good agents wanted for territory in States of Wisconsin, Michigan, Minnesota, Indiana and Iowa. Apply to
H. P. TOWNSLEY, General Manager, 125-37 Broadway, New York City.

BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINSON, President and Managing Director
RIDEWELL & COMMON, Auditors

BRANCH OFFICES.

New York: 111 Broadway, D. J. Tompkins, Secretary.
Boston: 66 Central Street, Geo. W. Greylock, Attorney.
Chicago: Room 802, The Temple, J. H. Poyen, Secretary and Attorney.
Philadelphia: 427 Mutual Life Bldg., A. F. Salton, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets, - - - -	\$232,141.03
Liabilities, - - - -	189,778.24
Surplus, - - - -	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$2,545,632.50
SURPLUS	332,100.33
LOSSES PAID	6,973,602.36

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust.
Personal Accidents, Plate Glass, Roller, Elevator,
Employers', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. REWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDWARD L. REAW, Asst. Sec.

American Union Life Insurance Co.

Capital, - - \$500,000.

44, 46 & 48 CEDAR STREET, NEW YORK.

January 1, 1896.

Gross assets	\$611,972.54
Gross liabilities	118,368.15
Gross surplus to policy holders	\$493,604.39

Safe Low-Priced Life Insurance.

Agents Wanted. Address Home Office. Liberal Contracts.

N. H. BELDING, President.
E. B. SAVAGE, Vice President. CHARLES S. WHITNEY, Secretary.
J. S. NEURDY, Treasurer.

CALEDONIAN

INSURANCE COMPANY

OF SCOTLAND.

FOUNDED 1808.

THE OLDEST SCOTTISH INSURANCE OFFICE.

United States Head Office: 27 & 29 Pine St., New York City.

CHAS. H. FOST, Manager. N. A. McNEIL, Assistant Manager.

THE

FRANK A. COLLEY

INSURANCE AGENCY,

24 Central Street, Boston, Mass.

(LONG DISTANCE TELEPHONE 206.)

Insurance to any amount on property located in any portion of the United States or Canada written and placed at equitable rates in companies and associations that will bear the fullest investigation. Correspondence solicited.

QUEEN

Ins. Co. of America,
NEW YORK.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

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COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURELL, Assistant Manager.

A. M. THORBURN, No. Actuary

NORWOOD INSURANCE CO.

OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1896.

Capital stock	\$100,000.00
Unearned premium reserve	114,601.56
Unadjusted and unpaid losses	81,711.96
Contingent and other liabilities	39,129.16
Net surplus	75,574.58
	\$209,942.71

ANDREW J. ARNSTRONG, Sec.

GEORGE R. FURTH, Pres.

J. JAY BIRKELL, Sec. Local Dept.

HENRY ADAMS, Jr., Vice-Pres.

CLINTON WEEKS & CO., Gen'l Agts., N. Y. Life Bldg., Chicago.

GERMANIA

FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1896.

Cash capital	\$1,000,000.00
Reserve for unearned premiums	1,945,707.97
Reserve for losses and other claims	198,943.30
Net surplus	1,948,350.68
Total assets	\$3,143,541.64

HUGO SCHUMANN, President.

FR. VON BERSUTH, Vice-Pres.

GEO. B. EDWARDS, 33 Vice-Pres.

CHAS. BUYERHAVER, Secretary

GUSTAV KEHR, Assistant Secy.

WESTERN

ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

GEORGE A. COX,

J. J. KENNY,

President.

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1896.

Assets	\$1,651,129.96
Surplus in United States	521,768.70

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE UNITED STATES.

The Palatine

INSURANCE COMPANY LTD.

OF MANCHESTER, ENGLAND.



FOR FIRE INSURANCE.

Assets in United States	\$7,836,326.25
Net Surplus	\$68,370.67

Writing Large Lines on Desirable Risks.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM BELL, WILLIAM WOOD, JOSEPH MANAGERS.

WILLIAM W. RALLARD, Branch Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION

ASSURANCE CO.,

(LIMITED.)

OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

FIRST CLASS AGENTS WANTED

By a First
Class
CompanyINCORPORATED
1848.Liberal Contracts,
Unexcelled PoliciesPortland,
Maine

ADRIAN STROM

EDSON D. SCOFIELD, Capt., 54 William Street, New York City.
THORNTON CHASE, Sept., 84 Adams Street, Chicago, Ill.

ORGANIZED 1804.

JACKSON

Fire & Marine Insurance Co.

(LIMITED.)

OF NEW ORLEANS, LA.

F. W. YOUNG,

E. W. HART,

President.

Secretary.

Will write small lines on carefully
selected risks.

The Preferred Accident Insurance Co.

OF NEW YORK.

The Best Policies. The Best Commissions.
ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, N.Y.C.

ASSETS, over \$400,000.

SERVILES to Policyholders, \$263,600.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE Metropolitan Plate Glass Insurance Company

OF NEW YORK,
Chartered 1894

THE OLDEST NEW YORK COM-
PANY IN ITS LINE, AND THE
ONE HAVING THE LARGEST
NET SURPLUS

January 1, 1896.
Assets, - - - \$479,906.39
Capital and Net
Surplus, - - - 297,888.90

Edgar H. Winslow, - - President
David B. Wadsworth, - Vice-President
S. W. Benson, - - - Sec'y.
Joel P. Casaroli, Gen. Agent,
No. 164 Le Salle St., Chicago.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

ESTABLISHED 1864.

THE UNDERWRITERS POLICY (FIRE)

Issued by local agents in all prominent localities in the United States.

Head Office: 46 Cedar Street, New York.

"OLD RELIABLE"

(INCORPORATED 1894.)

The Manhattan Life

Insurance Company
New York

ISSUES ALL IMPROVED FORMS OF POLICIES.

CONTRACTS WILL BE MADE ON COMMISSION
BASIS FOR UNDEVELOPED TERRITORY.

HENRY B. STOKES, President.

THE WASHINGTON Life Insurance Company OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS. E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City


LLOYDS PLATE GLASS Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

C. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

U. S. S. STOUT, Pres. J. B. MULLIN, Sec.

**THE
MERCHANTS'
INSURANCE CO.**
OF
NEWARK, N. J.

Capital fully subscribed, \$1,000,000.00.

Paid in, in cash, \$650,000.00.

The
Guarantors
LIABILITY-INDemnITY-COMPANY.
OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager,

713 Chestnut St., Philadelphia,

New York Office: 115 BROADWAY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

NEDERLAND

Life Insurance Company (Limited),
OF AMSTERDAM, HOLLAND.

Established 1858.

SPECIAL FEATURE: Combination Term Policies.

Low Rates. Ample Security.

874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.

JOHN CROSBY BROWN, of Messrs. Brown Bros. & Co., Bankers.

ARTHUR T. FRENCH, Vice President of the Manhattan Trust Co.

JOHN D. KELLEY, Merchant.

JAMES B. PUTNAM, Merchant.

CHARLES F. WHITEHEAD, of Messrs. Whitehead, Dexter & Osborn, Com-
missioners at Law.

THE EMPLOYERS' Liability Assurance Co.,

(LIMITED),

OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in li-
ability business than any other company.

It conducts its business at a lower ratio of expense than any
other company.

R. STANLEY BROWN,

General Manager, London.

GEORGE MURDOCK ENDICOTT,

Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 51 Cedar St., N. Y.

Assets, over \$1,400,000.00.

Cash surplus to Policy Holders, \$1,000,000.00

THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, DECEMBER 16, 1896.

No. 2.



THE "MODEL" REFEREE.

JOHN R. HEGEMAN: "He has not an honest hair on the top of his head."

REFEREE REED: "Shake not thy glorious locks at me. Thou canst not say I did it."

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$2.00 per annum.

European Subscription (postage free), - - - 3.50 " "

Payable in Advance.

Single copies, - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - MANAGER.

JOHN S. HANSON, EDITOR.

PROBABLY PAYN.

By the grace of Boss Platt and the graciousness of Governor Black the next Superintendent of Insurance is to be Louis F. Payn—most likely. Mr. Payn, it has been objected, knows nothing about insurance. What if he doesn't! He can be an excellent Superintendent, if he desires to be such, and not have very much knowledge of the intricacies, real or imaginary, of insurance. An honest and a courageous man, with sense enough to detect trickery and understand its meaning, can do more for insurance than some insurance experts we know of whose knowledge would be capitalized for the sole benefit of the possessors. Knowledge does not always go with high position. We have seen a President of the United States elected who "didn't know a d— thing about the tariff," a president of a great business corporation made out of a mere book-keeper, an able postmaster transformed from a bright lawyer.

Mr. Payn may make his office one of commanding importance and of unrivaled usefulness. He can do more to elevate insurance and to preserve its integrity than any of his predecessors ever attempted. We cannot say that we have any confidence that he will. Mr. Payn has never yet been accused of ingratitude, and it would be contrary to his reputation for fealty for him to go back on "old man Platt" by making himself what is understood to be "a good Superintendent."

"BLEEDING KANSAS" INVESTORS.

Investors may be pardoned if they shy at Kansas investments for some time to come. Kansas is disposed to canonize defaulting debtors and to martyrize creditors who desire to collect their claims. While conservatism is apt to come with authority, it is yet to be determined whether the Populists of Kansas, who have pre-empted the saddle, propose to ride the state to the devil or not. Repudiation has run riot in parts of this country before, but we do not recall any section in which public sentiment was more favorable to cheating creditors than that which exists in some parts of Kansas at the present time.

The insurance companies which have been investing liberally in Kansas securities and real estate mortgages may thank their lucky stars if they do not have bad losses to face. Kansas has been a keen borrower not only on its farms, but on its municipal and county credit. Some insurance companies have poured out their surplus into the Kansas field all too generously. One company alone has nearly \$1,600,000 invested in bonds issued by cities, towns and counties in Kansas, and the market value in December last was slightly less than the cost value, and about \$150,000 less than the par value. The same company has about \$700,000 of Nebraska securities, but the market value a year ago was greater than either the cost or par value. Until Kansas rid itself of the advocates of repudiation the investment of insurance funds in that state would better be observed in the breach than in the observance.

A MODEL VALUED POLICY BILL.

If we must have valued policy laws "a model valued policy bill," framed on lines of the least resistance to correct moral principles is fitting and desirable. Such a bill has been framed and published in the *Review* for the purpose of inviting criticism. In the main it meets the requirements of a "model" measure, but there is a possible chance of its improvement in a few particulars. The first three sections of the proposed bill are:

SECTION 1. Whenever any policy of insurance shall be issued to insure any building in this State against loss or damage by fire, tornado or wind storm, the actual cash value of such building at the time the insurance is effected shall be agreed upon between the insurer and the insured, and the insurable value thereof shall be stated in the policy, and so the event that any such building shall be wholly destroyed by the hazards insured against, as herein mentioned, the amount written in the policy on any building shall be taken and deemed to be the amount of loss and true measure of damage. In the event of partial loss by fire, tornado or wind storm to any building insured, the measure of damage shall be the cost of repairing such building and placing it in as good condition as it was before the partial loss occurred, but in no case shall the insurer be required to pay more than the amount expressed in the policy on any building destroyed or damaged.

SEC. 2. The insurer shall have the right, if it so elect, to rebuild, repair or replace any building wholly destroyed or partially damaged of the same style and quality of construction and of equal value with the original building, by giving reasonable notice to the insured of its intention so to do, in which case the insured shall furnish plans and specifications and a full description of such building for the use of the insurer in rebuilding the same or in repairing damage thereto.

SEC. 3. In the event of the depreciation in value of any building insured between the date of the policy and the time of loss from fire, neglect, surroundings or location, the amount of such depreciation, when the same has been agreed upon between the insurer and the insured, or when the same has been ascertained by appraisal as provided for in the policy in case of a disagreement, shall be deducted from the amount written in the policy on such building, and if by reason of such depreciation the insured shall receive for total loss a sum less than the amount written in the policy on such building, the insurer shall, on demand, refund to the insured for the full term of the policy the premium received by it on the difference between the amount insured and the amount paid for total loss on such building.

We suggest that the plans, specifications and full description of the building be filed with the company at the time the policy is issued or before. That will avoid any misunderstanding or misrepresentation after the building is not itself in evidence. As valued policy laws are intended to skin the companies and the purpose of the "model" law is to save as much of their epidemics as is possible, it is as well to close up all the avenues of fraud which have been traversed by loss claimants.

Section 3 is rather too liberal to the holder of a valued policy. The company should be allowed to prove depreciation in value of the property insured, and should also be permitted to settle a total loss by paying the depreciated value whatever the original value may have been. But we see no reason why any part of the premium should be refunded to the policy holder. It is easy enough for him to protect himself and to receive the re-

duction in premium by notifying to the company the fact of its depreciation when it occurs. The amount of the policy can then be reduced and the premium with it. If the policy holder prefers to carry the original insurance, hoping to get the best of the company should the latter fail to discover the depreciation, it is putting a premium upon dishonesty to allow him a rebate when his attempt at fraud is discovered and defeated. These are the principal points in the "model bill" which seem to need amending.

THE GLOBE FIRE EXAMINATION.

The report of the examiners of the New York Insurance Department on the Globe Fire Insurance Company is more favorable than was generally expected. The results indicate that the company has been writing a largely increased line of business and has made handsome profits this year. The examination was made as of November 30, and the report shows total assets on that date of \$656,660, as compared with \$407,936 on December 31, 1895, an increase of 60 per cent. The stocks and bonds owned by the company are valued at \$338,893, an increase of nearly \$38,000, represented by additional securities purchased and not by a mere appreciation in values. The other assets are loans on bond and mortgage, \$28,000, an increase of about \$7,000; accrued interest, \$471; premiums in course of collection, \$163,339, an increase of \$101,000; cash in office and bank, \$126,956, an increase of \$105,000. The surplus was increased from \$26,165 to \$50,118. The liabilities compare with those of eleven months ago as follows:

	Dec 30, 1896.	Dec. 31, 1895.
Unearned premiums at 50 per cent. of premiums on fire risks running one year or less.....	\$274,954.90	\$113,669.12
Unearned premiums, pro rata, on fire risks running more than one year.....	53,057.14	6,321.72
Unpaid losses.....	67,454.88	41,380.40
Commissions on premiums in course of collection.....	47,963.52	18,574.79
Due for reinsurance.....	3,981.45	1,805.67
Joint stock capital paid up in cash.....	200,000.00	200,000.00
Aggregate liabilities.....	\$606,441.89	\$381,671.70
Surplus beyond all liabilities.....	\$50,218.68	\$26,165.00

The examiners in their report say: "The present management obtained control of the company at the annual meeting held in April, 1894, and beginning with May 1st of the same year the underwriting business of the company has been transacted by Jos. S. Frelinghuysen acting as general agent under a contract dated May 1st, 1894. By the terms of this contract the payments made for officers' salaries, taxes and adjusting losses, are the only expenses directly chargeable to the company other than the commission allowed said general agent. From the date of this contract to November 30th, 1896, the ratio of expenses incurred to premiums received was 33.3 per cent.; and the loss ratio for the same period was 36.3 per cent. No dividends have been declared since the year ending December 31st, 1893. On said date the surplus beyond all liabilities amounted to \$5,074.65, which has been increased under the present management to \$50,218.68, as shown in the foregoing statement of assets and liabilities. The cash deposit held in bank is seemingly greater than is necessitated by the volume of business transacted, and in response to suggestions made to the officers they have taken steps to invest a portion of said funds in interest bearing securities."

A SPECIAL DECEMBER POLICY.

The following circular has been found in the mail of some "gentlemen" in the last week or two:

NEW YORK, December, 1896.

MY DEAR SIR:

The circular letters I have sent out from time to time have brought me a large business from gentlemen whose acquaintance I would not have been likely to make in any other way. The result has been mutually satisfactory. They have secured contracts with which they are well pleased and I have secured good customers.

Since the Hon. John A. McCall assumed the presidency of the company he has introduced new features that have been reluctantly imitated by our rivals. But some of the greatest privileges to policy holders they have not yet copied, as we have only lately added them to our new policy. To meet the competition we always encounter the last month of the year the company now makes an offer of a policy that has never been equaled even in our own latest productions. It will be greatly to your interest to know about this new policy, as the amount that will be written is limited. If you will return card filled out, you shall have all the information which it is possible to give in the limited space of a statement.

Don't lose this opportunity.

Respectfully,

D. M. WATERMAN,
General Agent.

Diligent inquiry has failed to unearth any policy issued by the New York Life in December, 1896, which differs in form or substance or alleged liberality from previous issues. The circular, therefore, speaks within the bounds of veracity when it says that "the amount of the new policy that will be written is limited." How thankful the competitors of the New York Life must be for the nasty things which the literature of that company is constantly aiming at them in the name of the "Hon." John A. McCall. By the way, what "new features" has the "Hon." John A. McCall introduced except his own? He has introduced them very freely, we admit, but we do not know of any of his rivals who have imitated them either reluctantly or otherwise.

DELAWARE INSURANCE COMPANY.

An excellent and comprehensive map of Cuba has just been issued by the Delaware Insurance Company of Philadelphia.

Mr. William Hall has been appointed agency secretary of the company. Mr. Hall is an experienced fire underwriter who has been in the business for thirty years. He has been connected with the Delaware Insurance Company for the past five years. His appointment is considered a fitting recognition of his faithful and efficient services.

NO REMAINS.

A humorous paper publishes an alleged interview between a sympathizing friend and a recently bereaved widow as follows: Sympathizing Friend: "Where were the remains of your late husband buried?"

The Widow (sadly): "There were no remains; he—me—met—bear!"

The same fate has overtaken many a cheap insurance concern. When the policy holders are mourning their loss they haven't even the consolation of viewing the remains, for there are none. They met a bear and the bear doesn't give any inside information.

A CONFESSION.

Insurance agents

- (1) Excel almost every other class in integrity and honesty of character.
- (2) Are equal to, and, in many cases, superior in intelligence to all branches in their various communities.
- (3) Are quick, alert, vigorous and worthy competitors of stock brokers, bankers or grain men.
- (4) Number about 65,000, representing the honesty and capacity of many communities.

The above facts are confessed by the executive committee of the new National Association of Fire Insurance Agents. But why, therefore, did it become necessary to organize an association whose "object will be to build up a self-respecting class of insurance men."

CORRESPONDENCE OF TWO FRIENDLY RIVALS.

MY DEAR JIM!—Read enclosure, carefully consider and inwardly digest it. Then don't be an idiot any longer; in other words, quit being "Jones" and become "Brown." The Nylc is a sure cure for blues in old age. It is the greatest anti-powerty invention of the nineteenth century.

Yours, JOE.

JONES AND BROWN;

OR, THE WHINERY OF THE WHENCE.

Time: Anno Domini 1896.

Place: Broadway, New York—or any other place—the place cuts no figure.

Persons: Brown of the New York Life and Jones of the Equitable—or any other company—the other company cuts no figure.

JONES (who looks lean and hungry): "Hello, Brown! Glad to see you. How's things?"

BROWN (who looks fat and prosperous): "Bully, old man! How's things with yourself?"

JONES: "Wish I could say 'bully,' but I can't and keep truth on my side. The fact is things are hum—umpty hum! Haven't seen a signed application in a month, and I've worked like the devil, too. Somehow I can't seem to make things budge. I've got to worry, don't sleep well, and I'm hard up. I hate to do it, old man, but, again! I haven't got a dollar in my clothes, and if you could spare a V, you'd—"

BROWN: "Certainly, my boy! Don't say another word. (Picks out a fat wad of bills.) But you'd better make it in X. It'll do you twice as much good, and I can spare it as well as not. Don't be in a hurry about returning it, either!"

JONES (with tears in his eyes): "I say, old chap, that's uncommonly handsome of you. You can't think what a godsend that is. You'll get it back the first day I close."

BROWN: "Not another word, Jones. It's all right, and you see there's lots more where that came from."

JONES: "So I see, and I'm glad for you. You must have been in luck lately."

BROWN: "So I have—so I have! The fact is, I'm in luck all the time. Got it fixed to I can't be out of luck."

JONES: "For the love of heaven, how's that? Give us your secret!"

BROWN: "No secret about it, my boy, and if you've got an old envelope and a pencil about you and can spare five minutes to do some figuring, I'll let you into it."

JONES (pulling out the desired old envelope and pencil): "What is it?"

4 11-64? Have you hit the combination?"

BROWN: "None of that, and I didn't get it at Brighton or Sheephead either. Here's the whole story: Just twenty years ago I was 35 at that time! I made up my mind that I could sell life insurance, and began to cast about for the best company upon which to bestow my available services. I asked my friends about it. One man said, 'Go to the Old Mutual,' another said, 'The Equitable is the company for you,' and so on through the list.

"Finally I met a fellow (I don't remember his name, but wish I did; I'd like to remember him in my prayers) who asked me if I'd heard anything about the 'Nylc Assurance,' that the New York Life had just started. Said a 'friend of his who was with the New York Life had cracked up this 'Nylc' in great shape.' 'Bug thing for the agent,' etc., etc. My curiosity was aroused, and I dropped in at the company's offices at Union Square. They treated me like a white man, told me all about the 'Nylc,' and I made up my mind that I had brought my wares to the right shop. I took my coat off and went at it.

"At the end of five years I found that my smallest year's business was \$200,000, and beginning with the first month of the sixth year of my service the company sent me a check monthly for \$100,000, that being what I was entitled to under the 'Nylc' constitution on a basis of \$200,000 for my smallest year's work!

"They kept up this monthly check for five years, and at the beginning of the eleventh year, I having settled \$200,000 or more in new business every year for the past ten, my monthly check was decreased by the company to \$200!

"This continued to come to me on the first of every month for five years more, during which time I never allowed my annual production of settled business to fall below the \$200,000 mark!

"At the beginning of the sixteenth year of my connection with the company they increased my check to \$300, and I continued to receive monthly remittances for this amount up to the end of the twentieth year of my service!

"Now, put your pencil at work, Bro. Jones. Put down five years at \$100 per month equals \$6,000! Put down under that five years at \$200 per month equals \$12,000, and you will find you have a total of \$18,000, which represents what I received from my connection with the 'Nylc Association' of the New York Life aside from my regular commissions!

"Now, as far as I received that money I invested it. Mary and I—Mary's my wife, you know—Mary and I made up our minds that we wouldn't spend a penny of this extra money. We decided that we would live on my commissions and the bonuses which the company offered from time to time, and that every dollar of my monthly 'Nylc' checks should be put at interest. We lived up to this resolution religiously, and, as a consequence, my principal of \$18,000 (which I was satisfied to invest at a moderate rate of interest, provided I could be sure of my investments) now amounts to the very handsome sum of \$48,000!"

"That's all! I am now what is known as a senior degree 'Nylc,' and as such I am to receive, according to the 'Nylc' constitution and my past record, the sum of \$450 per month for the balance of my natural life, provided I continue in the employ of the New York Life Insurance Company."

"Now, if you will look at an annuity table, you will find that at my present age (55) it would cost \$11,000 to buy an annuity of \$1,800 a year! Hence I consider it legitimate to count this \$12,000 as a part of my assets, and I call myself worth \$70,000 at this minute! Why shouldn't I be on Easy Street? What difference does it make to me which way the cat jumps? To be sure, I still work hard and do a good business, but I don't have to worry a minute, and just because I don't have to worry I confidently expect that my life will be prolonged by a good many years!"

"And that reminds me of my 'Nylc' life insurance policy. By the 'Nylc' constitution and by laws it is provided that if I die in the service of the New York Life the company will present my wife with the sum of \$100 for every thousand of insurance I have settled since I began work, and as I have settled about \$5,000,000 of insurance during my twenty years' connection with the company, I have an interest in \$500,000! I don't realize it! I wouldn't have believed it possible!"

"Anything the matter with that? Does your company do anything of that sort for the boys in the field?"

JONES: "I'm paralyzed! I had, of course, heard all about the 'Nylc'; in fact, I have more than once taken up a 'Nylc' book and read through the conditions governing the organization, but I confess I hadn't the slightest idea that there was anything like so much to it! I hadn't realized it! I wouldn't have believed it possible!"

"I congratulate you, old man, with all my heart, and from the bottom of my soul I regret that I didn't do as you did and cast in my lot with the New York Life twenty years ago!"

"THE WHENCE OF THE WHINERY."

FRIEND JOE:—Your Nihilic circular was duly received and contents noted. As this is the year 1896 and not 1916 everything referred to is based on supposition—like the surplus—and by the way, 20-year "multiplication" policies, if written this year, will mature about that date, and I don't suppose that any member of the association you refer to will have any keen desire to be in evidence when said surplus is distributed, so that after all it may be a wise provision. But now for comparisons.

If you have an "old envelope" and pencil (if not, come down here and I will give you a new one) you can do some figuring. The agent who can produce \$200,000 regularly each year for five years is a "good insurance agent" (put that down), and can make a contract with the company you mention for 7½ per cent. continuous renewals ("tickle yourself with that feather"), and please note that before ever he would have drawn one dollar from the "Fakelic" he would have received \$6,000 in renewals from the company, whereas, if he dies before he has completed five years with the "Fakelic,"

that very benevolent institution will pay his widow \$100.00. How considerate!!!

Supposing he continues until 1916, as set forth in your circular, but has the sense to keep out of the "Fakelic," he will have received \$174,000 instead of \$36,000!!! upon which, as suggested, if he has been economical, he can retire from active service, or if he quits altogether (perhaps to write insurance on some other sphere) the company will continue the payment of his renewals to his widow of \$7,000 or more a year if he has written \$5,000,000 business, and will not profit by his death through a settlement with his widow for \$5,000!!!

"Put that in your smoke and pipe it."

The man who got up that circular should stump for "Billy Bryan" and 16 to 1.

If you cannot do as well as this with your company come with us and we will let you into a better thing *for yourself* than the Fakelic offers. Cast your eye over the little table I enclose and see how the Fakelic is doing you.

The New York Life seems to be doing a rushing business—in bulletins. Understand you are getting a music box with every policy. We are giving a house and lot with every \$1,000 policy. Say, the tea stores aren't in it.

Yours very truly, JIM.

End of	Total insurance written.	Renewal premium payable in next year.	Mylic given you	Lost to the Fakelic.
First year.....	\$200,000	\$1,200	Nothing	\$600
Second year.....	400,000	1,200	"	1,200
Third year.....	600,000	1,800	"	1,800
Fourth year.....	800,000	2,400	"	2,400
Total, four years.....	\$800,000	\$6,000	Nothing	\$6,000
Fifth year.....	\$1,000,000	\$3,000	\$1,200	\$1,800
Sixth year.....	1,100,000	3,600	1,200	2,400
Seventh year.....	1,200,000	4,200	1,200	3,000
Eighth year.....	1,300,000	4,800	1,200	3,600
Ninth year.....	1,400,000	5,400	1,200	4,200
Total, nine years.....	\$1,800,000	\$47,000	\$6,000	\$21,000
Tenth year.....	\$2,000,000	\$6,000	\$2,400	\$3,600
Eleventh year.....	2,100,000	6,600	2,400	4,200
Twelfth year.....	2,200,000	7,200	2,400	4,800
Thirteenth year.....	2,300,000	7,800	2,400	5,400
Fourteenth year.....	2,400,000	8,400	2,400	6,000
Total, fourteen years.....	\$2,800,000	\$63,000	\$18,000	\$45,000
Fifteenth year.....	\$3,000,000	\$9,000	\$3,600	\$5,400
Sixteenth year.....	3,100,000	9,600	3,600	6,000
Seventeenth year.....	3,200,000	10,200	3,600	6,600
Eighteenth year.....	3,300,000	10,800	3,600	7,200
Nineteenth year.....	3,400,000	11,400	3,600	7,800
Total, nineteen years.....	\$3,800,000	\$114,000	\$36,000	\$78,000

AN ALABAMA ANTI-TRUST MISSILE.

A Brownie insurance bill has got introduced in the Alabama legislature which has at least the merit of novelty in the means employed if not in the end in view. It is an anti-trust measure, and provides that a policy holder, in case of loss by fire, may collect double the amount of the face value of his policy if it is shown that the company by which he is insured is a member of a tariff association. This is the *Weekly Underwriter's* version of the bill. The measure is incomplete, it should treat all policy holders alike, and therefore should also provide that a policy holder whose property is *not* destroyed by fire shall collect the face value of his policy. Then the legislature should take shot guns and go and compel insurance companies to write policies.

IN THE LONG AGO.

It is difficult to realize at times that almost within the narrow span of a single life may be measured the whole existence of life insurance in this country. Within the memory of living men the system of life insurance has been built up from about nothing to its present magnificent proportions. But a few days ago a man died who insured in the Mutual Life in 1844, the second year of the company's business. Only 16 out of the 535 who took out policies in that year still survive. More interesting than any other point in this case is the fact that the policy holder was a clergyman. In 1844 church men and women were disposed to look upon insurance as a gambling operation and a defiance of the decrees of Providence. If it pleased God that a man should die in poverty what could justify human intervention to battle that purpose? The church pronounced life insurance anathema, yet the Mutual Life succeeded in securing this minister, then the pastor of the Congregational Church of North Adams, Mass. He was 40 years old at the time, and presumably had ample intelligence to decide correctly the question which divided the saints in those days. In the half century that has since elapsed insurance has become both a moral and a religious duty. What a change, a revolution in fact, has taken place in public sentiment regarding one of the greatest beneficial influences of all the ages. But the work of evangelization is not yet completed.

CALENDARS.

The Continental Fire Insurance Company calendar for 1897 is out. The typical Continental soldier is on deck, or, rather, at home, with gun and powder-horn within reach.

The 1897 calendar of the Berkshire Life Insurance Company is unique and handsome. On four separate cards appear designs of state seals and historical events of the states of Michigan, New Jersey, Ohio and Connecticut.

The John Hancock Mutual Life Insurance Company of Boston has issued its 1897 calendar. Fanelli Hall of 1763 and 1896 is shown, with fac-simile of lottery tickets issued in 1767 to obtain funds with which to rebuild the "Cradle of Liberty."

THE MOORE SUIT SETTLED.

The report has reached New York that the suit of C. W. Moore against the New York Life Insurance Company was settled in Detroit on December 12th. The terms of the settlement have not been made known. The suit was for \$25,000 damages for violation of contract. Mr. Moore was state agent of the company for Michigan and was deposed. He claimed to have a contract for ten years and brought suit for breach of contract. The company, it is understood, preferred to settle with Mr. Moore rather than go into court.

LANCASHIRE'S ASSISTANT MANAGER.

Mr. Henry M. Fairchild has been appointed assistant manager of the New York branch of the Lancashire Insurance Company. Mr. Fairchild has been in charge of the agency business of the company since April, 1894, under Messrs. J. H. Stoddard and P. F. Razor, and has been connected with the company in various capacities for about ten years. The appointment of Mr. Fairchild is a deserved promotion, and gives great satisfaction to all who know him.

OBSERVATIONS.

"The People's Life Insurance Company of this city," says the *Weekly Statement*, "has saved more than fifty millions of dollars for policy holders by simply doing no business and applying for a 'voluntary dissolution' before it got started."

"O, George, how splendid you tackle."

When the elderly dame who had her ear at the keyhole of the parlor door heard this she went away reassured.

"They are talking of the football game," she said.—*Chicago Tribune*.

The Methodist Episcopal Church in Iowa has gone into the business of fire insurance. It will be all right until the brethren get to adjusting losses. Then look out!

The New York Produce Exchange Gratuity continues to have trouble "in its midst," what the New York *San* would call stomach trouble. It has become a very serious question whether the Exchange will wag the Gratuity Fund or the latter wag the former. The Exchange seems to be getting shaken up very effectively by the aggravating appendage.

Arizans Abe: "What's Mojave Mike lookin' so mad about? Th' Court decided that th' shootin' was done in self-defence, didn't it?"

Kalki Ike: "Yes, but this is th' sixth man Mike bez shot wot h'ongs to th' same mutual insurance company ez he does. It keeps him broke a-payin' th' 'essments."—*Truth*.

It seems to take the Court a very long time to discover the dissimilarity in the names "legal surety" and "lawyer's surety." Any one who could mistake the one for the other ought to have his ear-drums re-headed.

Aunt Dorothy had just finished her preparations for a bicycle ride, and appeared at the door arrayed in bloomers. "O, auntie!" exclaimed Jerry, who was playing in the garden, "are you going to be my uncle?"—*Harper's Bazar*.

The Hartford Fire Insurance Company has stowed away the Crescent Insurance Company, aged 47 years, in its interior. The Crescent was one of the oldest fire companies in the South, but hasn't been very prosperous latterly. All its risks have been reinsured in the Hartford.

At the reception to Referee Thomas B. Reed, Superintendent Pierce, we are told, "hesitated a little at first about speaking," but did finally make a very good address. Mr. Pierce is known as the superintendent who hesitates. While there is an impediment in his action, it is also true that he rarely interferences.

We trust that the advice of the *Standard* will be heeded, and that the insurance papers, past recipients of favor from the U. S. Casualty, will not, in the hour of that company's adversities, permit their disappointments over the withdrawal of patronage to clog their memories. It certainly would be ungrateful to abuse the U. S. Casualty when it can no longer pay for the favorable notices that were forthcoming when it had the price.

"What makes Mudge look so vacant?"

"He is full!"—*Indianapolis Journal*.

Mutual Life agents who are winners this month will be pleased with the president's cup. This will be a very much more attractive prize than the agents of some other companies get. Some agents have to be content with their president's mug.

"I understand you were punished in school to-day, Thomas," said Mr. Bacon to his twelve-year-old boy. "Yes, sir," promptly replied the juvenile. "For what?" "For telling the truth, sir." "Your teacher said it was for some reflection you made upon her age." "That's the way she took it, father. You see, she drew a picture of a basket of eggs on the blackboard, and while she was out of the room I just wrote under them: 'The hen what made these eggs isn't any chicken!'"—*Parkers Statesman*.

Faddy: "I wonder how Cramer came to marry that Berley woman?"

Duddy: "Perhaps he had to do it in payment of an election bet."—*Boston Transcript*.

Superintendent Darfee, of Illinois, having been found in the company of Algeid, will probably have to go with him into private life. The superintendent has done very well, barring one awful blank in his official career, and he will be missed. But the departure of Algeid will be an ample equivalent for innumerable misfortunes.

"Over half a million dollars has been paid into mushroom mutual fire insurance companies in the past two years," says Deputy Commissioner Evans, of Pennsylvania. That is unjust to the delectable and edible mushroom. "Toadstool" is more correct and expressive.

The company simply wants to know who to pay the money to.—*Chronicle*.

No better advice could be given to women who are earning their own livelihood than that contained in the essay read by Mrs. S. Garney Lapham, of Syracuse, N. Y., before the Working Women's Club in this city. Mrs. Lapham urged upon her hearers the importance of life insurance for women. She said: "Taking the income, when one is young and strong, saving money when earned daily or weekly, provides a positive estate to be enjoyed when age comes on and self-protection is impossible. Before many years life insurance will find its natural home in the warm heart of womanhood. The explanation of the different insurance systems is very simple, and any company will make its various schemes perfectly plain to the applicant. The best plan is to endeavor to invest in an endowment policy which may make a woman independent in her last years of life."

"The work of equipping the properties with automatic sprinklers, water tanks and other appliances for protection against fire has been continued during the year. The high insurance standard thus reached enabled the organization to obtain insurance at much lower rates than has been possible heretofore."—(From the annual report of the American Cotton Oil Company.) Protection pays.

Pitrey: "And because you couldn't find a sickle to pay the fare, did the conductor make you get off and walk?"

Jayson: "No, he only made me get off. I could have sat on the street if I wanted to."—*Roxbury Gazette*.

Client: "I took out a life insurance policy recently for my children's benefit, and I—er—stated my age as thirty-five, which—er—which was not quite correct. Will that affect the validity of the policy?"

Lawyer: "Not at all, madam—not at all. In order to avoid payment the company would have to claim that they were deceived by your representations."—*Pack*.

"What you need is a warmer climate, Mr. Grampsey," said the doctor in his most persuasive tone.

"I guess you'll get me there all right enough," was the ungracious response.—*Detroit Free Press*.

THE
Lancashire Insurance Company
OF MANCHESTER, ENGLAND.
25 Pine Street, New York.
General Manager, HENRY JOHNSON.

Assets, January 1, 1896, \$2,807,886.04
Liabilities, " " " " 1,887,814.70
Net Surplus, " " " " \$770,041.84

Trustees in the United States.
DONALD MACKEY, Esq., of Venable & Co.
CORNELIUS N. ELINS, Esq., of Biss, Fabian & Co.
R. J. FAIRBANKS, Esq., of The H. B. Claiborne Co.
EDWARD LITCHFIELD, Manager, New York Office.
PAUL F. EARLE, Assistant Manager, New York Office.

1850.

1896.

The United States
LIFE INSURANCE COMPANY
In the City of New York.

This old and reliable company now has the experience of forty six years of practical life insurance, which has taught it that the sure way to success is the adoption of good plans of insurance, and the pursuit of a liberal policy towards both its insured and its agents. These essentials it possesses in an eminent degree, but particularly tinged by that conservatism which is the best possible safeguard of the policy holder. Its contracts are irrevocable after two years. They are non-forfeiting, providing generally for either paid up policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its record during the past forty six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the
HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
O. P. FRALUPH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANDER, Actuary. ARTHUR C. PERRY, Cashier.
JOHN F. MUNN, Manager, New York.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
E. H. JENNINGS, Jr., President Importers and Traders' National Bank.
JAMES B. PLUM, Leather.

London and Lancashire
Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



THE
INSURANCE OBSERVER

IS PUBLISHED SEMI-MONTHLY.

EACH ISSUE HAS

TWO FULL PAGE

CARTOONS

ON CURRENT TOPICS,

BY THOMAS NAST.

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Subscription Price, \$2.00 per Annum.

PUBLICATION OFFICE:

55 Liberty Street.


BOUND VOLUMES

OF

THE INSURANCE OBSERVER,

DECEMBER 1, 1895, to DECEMBER 1, 1896.

\$2.00 each.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

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G. LEE STOUT, Pres. THE J. R. MULLIN, Secy.

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NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

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ESTABLISHED 1809.

Office: Corner Pine and William Streets,
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NEDERLAND

Life Insurance Company (Limited),
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Established 1858.

SPECIAL FEATURE: Combination Term Policies.

Low Rates. Ample Security.

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The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

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GEORGE MUNROE ENDICOTT,
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DWIGHT, SMITH & LILLIE, General Agents, 61 Cedar St., N. Y.

Capital fully subscribed, \$1,000,000.00.

Paid in, in cash, \$650,000.00.

Assets, over \$1,400,000.00.

Cash surplus to Policy Holders, \$1,000,000.00

The Guarantors
LIABILITY-INDEMNITY-COMPANY
OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserves for insurance in force, etc.	4,101,690.12
Net surplus	8,028,908.12
Policyholders' surplus	8,028,908.12
Gross assets	7,516,908.55

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY FLYNN, Vice-President.
EDWARD LANNING, Secretary. CURTIS PECK, Treasurer.
R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.,
Western Department, Chicago Building, Chicago, Ill.

RESPONSIBLE AGENTS WANTED.

Bankers Life Insurance Co.

OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.

ADVISORY BOARD:

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CHAR. H. FARRINGTON, President Irving National Bank, New York.
STEPHEN HARKER, President Bank of the Manhattan Co., New York.
EDWARD S. WALKER, President of the City of New York.
A. B. HURFURN, Pres. Third Nat. Bank, N. Y., late Comp. of Currency, U. S. A.
Policies issued year 1895 \$700,000
Policies issued year 1896 \$800,000
Policies issued year 1897 \$813,500
Percentage of increase year 1895 over year 1894, 126 per cent.
Good agents wanted for territory in States of Wisconsin, Michigan, Minnesota, Indiana and Iowa. Apply to
B. P. TOWNLEY, General Manager, 115-117 Broadway, New York City.

BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

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RICHARD J. CONNOR, Auditors.

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Bureau—41 Central Street, Geo. W. Livingston, Attorney.
Chicago—1000 Ave. de l'Europe, J. H. Pease, Secretary and Attorney.
Philadelphia—407 Market Life Bldg., A. F. Baker, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1862.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets,	\$232,141.03
Liabilities,	189,778.24
Surplus,	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.

ASSETS	\$8,945,032.89
LIABILITIES	359,100.33
LOANER PAID	8,575,932.56

CASUALTY INSURANCE SPECIALISTS.

Bonds of Suretyship for persons in positions of trust.
Personal Accidents, Theft, Glass, Fire, Elevator,
Employees', Landlord's, and Common Carriers' Liability.

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ROBERT J. HILLIS, Trust and Sec.
EDWARD L. NEW, Asst. Sec.



American Union Life Insurance Co.

Capital, = \$500,000.

44, 46 & 48 CEDAR STREET, NEW YORK.

January 1, 1896.

Gross assets	\$11,072.34
Gross liabilities	148,000.10
Gross surplus to policyholders	\$650,100.10

Safe Low-Price Life Insurance.

Agents Wanted. Liberal Contracts.

Address Hunt Office.

M. M. HELDING, President.

E. S. RAYNE, Vice-President. CHARLES B. WATSON, Secretary.
J. E. NOBLE, Treasurer.

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FRANK A. COLLEY

INSURANCE AGENCY,

24 Central Street, Boston, Mass.

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Insurance in any amount on property located in any portion of the United States or Canada written and placed at equitable rates in companies and amounts that will bear the fullest investigation. Correspondence solicited.

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NEW YORK.

STATE UNIVERSITY
OF IOWA
LIBRARY

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

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J. J. CUILE, Manager.

J. J. PURCELL, Assistant Manager.

A. M. THORBURN, Secretary.

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1896.

Capital stock	\$50,000.00
Unearned premium reserve	115,800.00
Unadjusted and unpaid losses	84,700.00
Commission and other liabilities	50,000.00
Net surplus	75,800.00
	\$60,700.00

ANDREW J. ARMSTRONG, Sec.

GEORGE S. PORTER, Pres.

J. JAY DETMERS, Sec. Exec. Dept.

HENRY ADAMS, Jr., Vice-Pres.

CLINTON WEEKS & CO., Gen'l Agts., N. Y. Life Bldg., Chicago.

GERMANIA FIRE INSURANCE CO., 62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1896.

Cash capital	\$1,000,000.00
Reserve for unearned premiums	1,000,000.00
Reserve for losses and other claims	150,000.00
Net surplus	1,000,000.00
Total assets	\$5,718,445.48

RUGO KREHMANN, President.

FR. VON BERNUTH, Vice-Pres.

GEO. B. EDWARDS, 2d Vice-Pres.

CHAR. RUTKHAUER, Secretary.

GUNTAY KERR, Assistant Secy.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

GEORGE A. COX,

President.

J. J. KENNY,

Vice-Pres and Mgr. Director.

United States Statement, January 1, 1896.

Assets	\$1,051,129.98
Surplus in United States	521,768.70

HANOVER FIRE INSURANCE CO. Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE UNITED STATES.



FOR FIRE INSURANCE.

Assets in United States, - - - - - \$5,230,220.38

Net Surplus, - - - - - \$68,396.67

Writing Large Lines on Desirable Risks.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM BELL, WILLIAM WOOD, JESSE MANAGERS.

WILLIAM M. HALLARD, BRANCH SECRETARY.

21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION ASSURANCE CO., (LIMITED) OF LONDON.

Office: Cor. Pine and William Streets,
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FIRST CLASS AGENTS WANTED

By a First
Class
CompanyINCORPORATED
1848.Liberal Contracts,
Unexcelled PoliciesPortland,
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EDMON D. BROOKFIELD, Sept., 84 William Street, New York City.
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ORGANIZED 1804.

JACKSON Fire & Marine Insurance Co. (LIMITED), OF NEW ORLEANS, LA.

F. W. YOUNG,

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Will write small lines on carefully
selected risks.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.
KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$263,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE Metropolitan Plate Glass Insurance Company

OF NEW YORK.

Chartered 1874.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1896.

Assets, = \$449,906.79
Capital and Net
Surplus, = 207,662.65

Ernest H. Wastham, President
Dwight D. Wastham, Vice-President
S. W. Burton, Secretary
John P. Coatsworth, Gen. Agent,
No. 414 La Salle St., Chicago.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

ESTABLISHED 1864.

THE UNDERWRITERS POLICY (FIRE)

Issued by local agents in all prominent localities in the United States.

Head Office: 46 Cedar Street, New York.

—JA 365—A

"OLD RELIABLE"

(INCORPORATED 1826.)



Insurance Company
New York

ISSUES ALL IMPROVED FORMS OF POLICIES.

CONTRACTS WILL BE MADE ON COMMISSION BASIS FOR UNDEVELOPED TERRITORY.

HENRY B. STOKES, President.

THE WASHINGTON

Life Insurance Company
OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City

LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1852.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary



NOT AS BLACK AS HE IS PAYN-TED.
MR. PLATT'S INSURANCE SUPERINTENDENT MAY BE A LOU LOU AFTER ALL.

THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

Vol. II.

NEW YORK, JANUARY 2, 1897.

No. 3.



WHOSE HAND?

"With malice toward none, with charity for all,"

THE INSURANCE OBSERVER.

PUBLISHED SEMI-WEEKLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$2.00 per annum.

European Subscription (postage free), - - - 3.00 " "

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W. A. THOMAS, - - - MANAGER.

JOHN S. HANSON, EDITOR.

PROVIDENT SAVINGS LIFE.

Within a few days of the close of the year the management of the Provident Savings Life Assurance Society was transferred to new hands. Negotiations for the transfer of the stock, or rather a controlling interest in it, had been pending for some time, and the announcement that a transfer had been concluded caused no surprise. Who are the real parties in interest is still somewhat of a mystery, but Mr. E. W. Scott, at one time connected with the Equitable Life, was the nominal purchaser. That gentleman has been elected president. He and the following were elected directors on December 22: Phineas C. Lonsbury, president of the Merchants' Exchange National Bank of New York; Henry C. Davis, vice president of the Norfolk & Western Railroad; Charles W. Drake, treasurer of the Denver & Rio Grande Railway; W. T. Gilbert, H. J. Borden and Stephen A. Brownell. The last named gentleman was formerly a director in the Commercial Alliance. Something like \$350,000 is said to have been paid for the controlling interest. The total capital is \$100,000 par value.

THE MAN WHO MAKES INSURANCE SUPERINTENDENTS.

That Mr. Thomas Platt will name or has named the next insurance superintendent there is not the slightest doubt. His man, Payn, is the candidate, and the latter is sure of getting the position. Mr. Platt has taken considerable interest in insurance of late. The legislation which he jammed through the legislature last year has given him a cinch on the liquor dealers of the state. As the facts concerning the Raines law come to the surface, the more disgraceful becomes the connection of the would be senator and governor *de facto* with the insurance interests of this state.

The *Wine and Spirit Gazette* is telling some very disagreeable truths about Mr. Platt. Referring to the gratuity which the law has thrown into the coffers of the company with a Platt connection, the *Gazette* says that the receipts of the Platt company

from Raines-law bonds must have been about \$247,000 in the first year of the law's operation. This is all clear profit. The *Gazette* further points out that there has not been a case of a surety company being called on to make good the obligation on a defaulted bond. Even should action be taken, the resources of the principal on the bond, including his saloon and stock, must be exhausted, before the surety company becomes liable. The law directs the sheriff of a county in which a judgment shall have been given against a dealer to levy on any property of the debtor wherever found. It is a poor saloon the sale of which will not realize a greater sum than the highest fine that can be imposed under the law.

Another interesting item of news is related by the *Gazette* as follows:

"The modest sum of \$250,000 or thereabouts, which this new boss permits his own son to levy upon the retail liquor trade is not felt by the brewers, because it does not come out of their own pockets; while the retailers, who pay it in sums of from \$10 to \$15 each, consider it too small a matter, individually, to make a great fuss about. But when the brewers were called upon last fall to make a contribution themselves, ostensibly to the Platt campaign fund, their usual business prudence asserted itself, and despite favors already received and enjoyed of an unusually liberal nature, they declined to contribute one dollar unless the full *quid pro quo* was guaranteed to them. A protracted negotiation ensued between the parties. Certain legislative action and non-action on the liquor-tax bill was demanded by the brewers as part of the consideration they should receive for their contribution. That is, the Raines law hotel and Sunday traffic features of the law should remain unchanged. Also, a new section or sub-section should be given to the law permitting the sale of malt liquors only at a rate of tax amounting to but a little more than one-third that assessed against the general trade. Then there was to be allowed to the brewers greater facilities in the excise offices in clearing their customers. All these considerations being satisfactorily assured, the magnanimous brewers generously contributed \$30,000 to the Platt campaign fund (as payment in full for the services to be so rendered)."

With Mr. Lou Payn as Superintendent of Insurance, Boss Platt can divide his attention between the brewers and the insurance companies and collect still larger sums for the use of buying offices for cheap men. Politics in this state has almost reached the lowest stage of degradation.

MORE PYROTECHNICS.

That Grand Master of Pyrotechny, John A. McCall, has sent up another rocket to attract the "Ahs" of the gaping crowd. He has "invited" Superintendent Perce and Commissioners Merrill and Betts to examine and value the new building of the New York Life Insurance Company in this city. This is only another lot of clap trap on the part of Mr. McCall who delights to play to the galleries and to perform in picture galleries. The certificate of neither of the officials named is of any special value. Not one of them is competent to pass upon the value of New York real estate, and anyway it is proposed to call in a real estate expert, Mr. Coleman, to make the valuation. It is less than three years since Mr. McCall pretended that it was necessary to have the company examined by the commissioners of seven states, New York not included. He paid \$40,000 of the policy holders' money for that examination, and emancipated the report which the commissioners made. The report didn't suit Mr. McCall and therefore was not published as it was written, but the policy holders had to pay for it just the same.

There is no reason why the company should not report the actual cost of the building just erected at its present value. If the insurance officials of three states and an expert appraiser must be called in to value one piece of property for one report, then it is necessary to repeat the performance for every piece of property and for every report.

On one point the policy holders no doubt would like to be informed, viz.: The value of the building which the company had raised and paid cash to get rid of. Whether the commissioners will publish this information or Mr. McCall allow it to reach the public if they do, we have our doubts.

P. S.—Why was the sop thrown to Commissioner Betts.

UNITED STATES LIFE.

The balance sheet published by the United States Life Insurance Company as of December 31, 1896, shows an increase in assets for the year from \$7,043,087 to \$7,464,011. The surplus to policy holders upon the 4 per cent. basis increased from \$605,198 to \$631,098. The reserve is figured at \$6,710,646, as compared with \$6,517,297 a year ago. The total payments to policy holders during 1896 for dividends, death claims, matured endowments, etc., were \$445,548, against \$764,812 in the previous year. The assets reported on December 31 were as follows: Bonds and mortgages, \$4,379,050; United States and other bonds, \$1,670,138; real estate, \$456,700; cash in banks, \$195,808; cash in office, \$1,044; loans on policies, \$381,131; loans secured by collaterals, \$53,315; balances due by agents, secured, \$17,830; interest accrued, \$85,458; deferred premiums, less cost of collection, \$87,905; premiums in course of collection, less cost of collection, \$106,841; total, \$7,464,011. On the old 4½ per cent. basis the surplus of the company would be \$1,087,192, or \$465,000 more than now figured at 4 per cent. The company has apparently had a very prosperous year, and need not do any mourning over its experience in 1896.

INSURANCE CONTRACTS.

Everybody is presumed to know the law, a rule which has one exception, the courts. After several tries at it by several courts during several years, the law has been construed in the case of Van Tassel against the Greenwich Insurance Company. The litigation has been pursuing its tortuous way for five years and the learned doctors have disagreed to such a degree that had they been ordinary laymen they might have had their reputations and their property impaired. The facts in the case as published are: On January 1, 1891, the plaintiff received a renewal of a ten-thousand-dollar policy for a year, in the form of a binding slip. A week after the renewal took effect the company wrote to plaintiff's brokers that the application for renewal was declined, but they would renew for \$5,000. No reply was made to this communication, and the premises were burned a week later. A judgment directed for plaintiff on the first trial was reversed by the General Term, and a dismissal of the complaint on the second trial, affirmed by the General Term, has now been reversed by the Court of Appeals. Justice Bartlett, who gives the opinion, holds that the communication sent by the company was not effective as a cancellation, and the binding slip remained in force up to the occurrence of the fire, and the insured might maintain suit on contract under the binding slip in the absence of any waiver on his part, and it was not a waiver to limit his demand to the sum proposed as reduced insurance. To some fact omitted from the pub-

lished account the Court of Appeals must have given the preponderance of weight in framing its decision, for the facts presented hear away from the final judgment of the court just about 180 degrees. The decision makes it very difficult for either the company to cancel a policy or the policy holder to waive his claims under it. In this case both these things were attempted, but the result, according to the Court of Appeals, was a dismal failure.

MUTUAL RESERVE'S BEST YEAR.

The first complete year of the administration of President Frederick A. Burnham, of the Mutual Reserve Food Life Association, has produced results highly flattering to his executive ability. Last year was a bad year for nearly every class of business. Life insurance is extremely sensitive to depressing influences which affect industrial enterprise, and there was reason to look for poor reports from the insurance companies for last year. The Mutual Reserve, however, reports an increase in business in 1896 over 1895 of \$15,000,000, making the total \$24,000,000, which is a very much larger amount than was ever before written in a single year. The association has experienced unusual success in business getting in this city and Brooklyn, and it is stated that the business written in those cities is the largest written in any year in the history of the association. Mr. Burnham has good reason to feel gratified over such a showing.

HIGH BUILDINGS.

Mr. Constable, the Superintendent of Buildings in this city, has presented to the Board of Trade and Transportation an argument against the erection of high buildings. As an engineering feat he considers that a building 1,000 feet high is both possible and practical, but he believed that the height of a building should be limited to 175 feet or at most to 200 feet. That may seem a modest height now, but 100 feet structures not many years ago were considered sky scrapers. According to the Fire Department Mr. Constable said a building 125 feet high was the limit that the department could handle, unless there were supplies in the building. In most of the tall buildings there were tanks on the roof, but after they were exhausted there was little chance of their being refilled, as the pumps used for that purpose were in the sub-basement, as a rule, and could not furnish enough water to put out a fire. In the opinion of Mr. Constable, every owner of a building over 125 feet high should be compelled to furnish such fire apparatus and water supply as was deemed sufficient by the Fire Department.

Several objections to the tall buildings were urged by Mr. Constable, involving health, safety, etc. He mentioned that there was no trunk sewer down Broadway, a fact not generally known, and with the increase of big buildings and of the number of tenants, a congested sewerage system that would prove dangerous to health would result.

There are enough objections to these mile-in-the-air structures to warrant legislation against them, even were there arguments in their favor. Of the latter there are none that we know of, for even as an investment they are not a good thing. If the city of New York would pay more attention to its transportation facilities and make it possible to travel to any point within the city limits at a rate not less than thirty miles an hour there would be less demand for high buildings, and a Greater New York would be possible without any annexation.

THE CHRONICLE.

Mr. F. C. Oviatt announces his retirement from the editorship of *The Chronicle* on December 31, to take charge of the Philadelphia *Intelligencer*, which he has purchased. Mr. A. E. Harrell is to be his successor on *The Chronicle*, and is worthy to wear the mantle which falls upon him.

EDWIN W. BRYANT.

The death of Edwin W. Bryant brings address to the hearts of many friends and acquaintances. He was a man of extraordinary talent and intellect. On insurance subjects few men were as well informed, and as an actuary he was unquestionably at one time at the head of his profession.

A COMPANY THAT KNOWS HOW TO BE LIBERAL.

The management of the Manhattan Life Insurance Company has the knack of doing the right thing at the right time in the right way. When it comes to a question of fair and honest dealing the company is never known to disappoint the most sanguine expectations. The company has again displayed its usual liberality in declining to take advantage of a mere technicality and in deciding to protect the interest of policy holders who were, it is true, careless in protecting it themselves, but who were nevertheless entitled to the most lenient consideration.

The Washington Irving Union is the name of an organization which has an insurance feature that might well be copied by other fraternal and social organizations which insure their members. This organization, instead of doing insurance on its own hook, put the members into a solid life insurance company, and the premiums were collected by an officer of the Union and paid to the company. The Manhattan Life was the insurance company selected, and there was no mistake made on that point. Unfortunately, however, the trusted officer of the Union was recreant to his trust, and some of the premiums he put in his own pocket and failed to pay over to the company. The result was that a number of the members of the Union were lapsed and some of them, when the facts became known, had ceased to be insurable. As to the legal liability of the Manhattan Life, there was nothing to be argued. The policy holders had simply lost their insurance, and the company owed them no consideration from a legal standpoint. The management of the company, however, took a broader view of the matter and decided to reinstate the lapsed policy holders. The following correspondence explains the affair:

(Letter to Manhattan Life.)

New York, December 26, 1896.

MANHATTAN LIFE INSURANCE COMPANY,
New York City.

Gentlemen: The Washington Irving Union, of which I am President, have for several years past insured the lives of the members of the Union in your company, the premiums on same having been collected from members and paid to the company by the Union at certain specified dates. The policies were of \$10,000 each, made payable to the Washington Irving Union as beneficiaries. The total number of these policies changed from time to time, being reduced when death occurred or they were allowed to lapse, and increased by the introduction of new members. A number of these policies have been regularly renewed, the balance were permitted to remain unpaid for over six months, thereby forfeiting all right by the terms of the policies to pass-up insurance.

In consequence of the non payment of the premiums by the regularly authorized officer of the association, through no fault of the insured or the company, but directly affecting innocent parties, and appreciating the liberality of your company, and that you are always anxious and willing

to continue life insurance on sound lives, and while we appreciate the fact that some of these policies that have been allowed to lapse may be on lives that could not secure insurance at the present time, we consider the reinstatement of the entire number, without regard to their present condition, is an unusually liberal action on your part, and as such will be appreciated by every member of this Union.

Yours very truly,

AGOSTINUS FRAY, President.

(Letter from President Stebbins, of the Manhattan Life.)

New York, December 26, 1896.

WASHINGTON IRVING UNION, NEW YORK CITY:
Gentlemen: In reply to yours of even date, in which you request us to reinstate the lapsed policies on lives of many of the members of your Union, we beg to state that after giving due consideration to all the facts laid before us, and desiring to treat all our policy holders with liberality, as in and to your policy, we have concluded to reinstate all the lapsed policies upon payment of the premiums which should have been paid June 5 and December 5 last.

Yours respectfully,

H. B. STOKES, Pres. Manhattan Life Insurance Co.

A company which is so ready to do what is fair and right, even if there be no law for it, is bound to prosper. The Manhattan has been built up on the broad foundation of liberality, and the builders build well.

THE GLOBE FIRE INSURANCE CO.

Following close upon the heels of the favorable report on the Globe Fire Insurance Company made by the New York Insurance Department comes the announcement of the exclusion of the company from Ohio. A lengthy report from the examiners employed by the Ohio Department to examine the company gives some startling reasons for the course pursued by Superintendent Matthews. The management is charged with keeping a double set of books, one for the examiners, and one for the exclusive use of the management. The report shows a very loose way of doing business, the issuing of numberless and unnumbered policies, and the keeping of accounts in a peculiar manner. Other charges are made and it looks as if the New York Insurance Department and the Globe Fire will have a lot of explaining to do.

WHO IS HE?

It has come to *The Standard's* attention that an unsuccessful life insurance man, who, in his long and devious career, has been connected with numerous life insurance companies in the country, and who, it is said, was the chief instrument in causing the failure of a life insurance company that failed about two years ago, is making false statements in the city of New York derogatory to a New York company, which has recently changed its management. This man's character is so well known that none but ill-disposed or unadvised people could believe the stories circulated by him. It is said that his presence is, and has been for some time, especially desired by certain court officials in the State of Virginia, and we would advise him to return to that State and do the justice to it the law requires, and thus free New York and respectable insurance circles of his presence, and save the insurance press from more fully exposing his past transactions.—*The Standard*.

THE BROADWAY DEAL.

Justice Smyth, of the Supreme Court, has granted an injunction pending the trial of the case of E. C. Jameson, et al., against the Hartford Fire and the Broadway Insurance Company. The Judge expresses the view that the directors of the Broadway Insurance Company had no power to enter into an agreement with the Hartford Fire Insurance Company to turn over to the latter all the plant of the former, and to reinsure its risks. The right to reinsure every risk of the Broadway Company is contained in the charter of that company and in the laws of the State. Justice Smyth's decision, it seems to us, cannot be sustained upon appeal.

LEGAL AND LAWYERS.

Justice Smyth has discovered such a similarity in the two words "legal" and "lawyers," that he has enjoined the Legal Surety Company from using its name, for fear that somebody might mistake it for the Lawyers' Surety Company. Why the latter should worry about that we cannot see. The Legal Surety Company would be the principal sufferer from any such error. It won't be very long before the "Lawyers" will be quite willing to be mistaken for the "Legal."

THE CONTINENTAL AND THE S. E. T. A.

The *Insurance Herald* says:

There seems to be an idea prevailing in some parts of the South and in some other quarters that the *Insurance Herald* is actively seeking to foment discord in the S. E. T. A. field by the full publication of the news in the collisions between the S. E. T. A. and the Continental Insurance Company at Anniston and at Birmingham. Of course such an idea can be entertained only by those who do not understand the significance of the situation. The publication of such news ought to have the effect of calling the attention of wise managers to the fact that there is a strained situation which may cause a great deal of disaster in that field, and that the discords now are but symptoms of a disease beneath. The *Insurance Herald* is distinctly not "for its friends right or wrong." An honest and self-respecting journal is always for the best interests of the business it represents. The Continental is not receiving favoritism at our hands. It does not need any and is not entitled to any. But it is entitled to just consideration, and its strength and position are such that to refuse such just consideration threatens grave trouble. It is not a popular company among field men, but it is not at all necessary for a company to be popular in order to be a good and strong company. These are facts which we believe are not recognized fully in some quarters in the South. It does not seem to be recognized that the Continental is more than an incident instead of an aggressive, resolute, well-equipped factor of opposition. It is not the Continental's fault that it is outside the association. We don't know that it is the association's fault. It seems to be the fault of grotesque blunders. The company is not permitted to join, yet it is persecuted in all association agencies without prejudice; it is recognized in local boards, and care is taken that rate slips reach it. If it were not so serious it would be ludicrous, this attitude of theoretically refusing to associate with the Continental and yet practically doing so. As long as it continues it threatens grave trouble in the whole field. New York managers know, if Atlanta managers do not, that the Continental is not a weakling. There are companies that could be set aside by combined action, but the Continental is not one of them. It has the reputation of being resolute in sustaining tariffs even without obligation, and its faults are visible instead of being veiled. It is conducted by independent brains and not by shuffling imitation. It possesses initiative and does not depend upon suggestion. It is a company distinctly creditable to the underwriting of the United States. Outside of recognizing these facts and bringing them home to avert, if possible, a collision that will convert the South into a miserable sink-hole of demoralization like the Pacific Coast, we have no interest in the Continental that we do not feel for every other honorable company in the business. The Birmingham and Anniston risks are of no importance to anybody, but as straw showing which way the wind blows, or as matches that may light the fires of ruinous competition they are vastly significant. In that respect, Mrs. O'Leary's cow differed from the generality of cows in Chicago in 1872.

SURVIVORSHIP.

The question of survivorship is likely to be litigated in connection with the recent destruction of the Goldsmith family by fire. Mr. Aaron Goldsmith, his wife and three children were all burned to death. Insurance to the amount

of \$20,000 goes to the heirs of Mr. Goldsmith, or his wife according to which is presumed by law to have survived the other. A number of legal fictions have been raised up to establish a survivorship theory, presumptions in favor of the male over the female, of youth over old age, of maturity over infancy and the like. But all fiction must give way to a single well supported fact showing actual survivorship. In the Goldsmith case there may be evidence which will make it unnecessary to fall back upon an arbitrary risk of law.

THE SKIN RISK.

The United States Circuit Court at St. Louis has rendered a decision in favor of the plaintiff in the celebrated "tight shoe, sore toe" case. Sarah T. Smith, the widow of Freeman O. Smith, was the plaintiff, and the Western Commercial Travelers' Association the defendant. The deceased had an accident policy for \$5,000, issued by the defendant. The policy provided for the payment of an amount not exceeding \$5,000 in the event of death by "external, violent, accidental means." Up to August, 1895, the account of the case says Smith was an exceptionally healthy and strong person. Early in that month he commenced wearing a pair of new shoes, and "breaking them in" produced friction of the shoe against his foot, and there resulted "unexpectedly," as the Judge finds, "and not according to the usual course of things, an abrasion of the skin of one of his toes, thereby causing a sore." The sore grew worse, and by the latter part of September blood poisoning set in, and on October 3 he died from the effects of such blood poisoning, which the Judge concluded was a direct result of the abrasion of the toe caused by the tight shoe. These are the facts as found by the Judge, and he concludes that death was occasioned by "external, violent, and accidental means," within the true meaning of the certificate.

Decisions such as this tend to increase the hazard of bicycle risks. Propelling a safety may not cause abrasion of the toe to any great extent, but chafing is one of the ills that riders frequently bear uncomplainingly, or have until now. Accident companies may expect to hear from the tender skins hereafter.

CHRISTMAS NUMBERS.

The *English* Christmas Number 1896 and Almanac 1897, issued by the United States Life Insurance Company. This handsome annual is always a feature of the holiday season, and the latest issue is a very interesting production.

The *Record*, the *Insurance Press* and the *Chronicle* have all issued their usual holiday numbers. In each there is much to interest, amuse and entertain.

WHO GETS THE LION'S SHARE?

The policy holders of the New York Life Insurance Company "ALONE receive the PROFITS of the company," says an advertisement of the company. Even if that were true, still they would not be in it with the fellows who ALONE receive the EXPENSES of the company. The "275,000 policy holders" of the New York Life last year received \$2,000,000 in dividends, or \$5 each, while the one president received \$75,000. The policy holders might have received a larger "profit" than \$5 but for the extravagant salaries paid a number of the officials of the company from John A. McCall down.

OBSERVATIONS.

It is said that J. C. McKown who was rebated out of his position as executive special of the Mutual Life by the late referee Mr. Russell, will test the question whether he has the right to do business or not. As a licensed broker in Pennsylvania he will offer applications to the companies, and if they refuse to accept them as they are bound to do under the ante-rebate agreement McKown will sue. And we think he will win.

His New Mamma-in-law: "I trust, my dear son, that you never indulge in that pernicious habit of going out between the acts for a drink of intoxicants?"

The Bridegroom: "Why, my dear mamma, you didn't think I had it brought in, did you?"—*London Figure*.

First Passenger: "Oh, yes, I know these Southern railroads very well. I've been riding on this line all my life."

Second Passenger: "That so? You must have got on a little sooner than I did."—*Truth*.

A representative of Texas, it is understood, has been delving in the accounts of some of our insurance companies to find evidence of contributions to the McKinley campaign fund. Any man fool enough to believe that he could find such evidence would be dead easy for the companies. They no doubt succeeded in making him believe that while some officials made liberal contributions out of their own private purses, none of the funds of the companies were used for political purposes. Of course not!

"But how can your husband draw a pension when he wasn't in the war?" "He says it is all due to the blessings of a republican form of government."—*Puck*.

Fierce and Payn seem to be both sickers. Mr. Fierce is quoted as saying that he will remain in office until his term expires, which will be in the middle of February. Mr. Payn is reported to have hired a house in Albany, and declares that he will be the next Insurance Commissioner.

"Thank you very much," said the lady in the picture hat as she took the proffered seat in the crowded motor.

"Don't thank me, ma'am," said the man who had just vacated the place. "Thank the car stove."

And he crowded his way back to the rear platform and cooled off.—*Cleveland Plain Dealer*.

The Williamsburgh City has opened a Southeastern Department with headquarters at Atlanta, Ga. Mr. Crosby Dawkins has been appointed Department Manager, and his territory will include the States of Georgia, Alabama, Tennessee, South Carolina, and Florida.

Mrs. Isaacstein: "Dot Mrs. Rosenbaum is tryin' hard to be vun of dem new vimmin."

Mrs. Cohenstein: "Vot is she up to now?"

Mrs. Isaacstein: "She wants to carry ou der peetzness herself undt put der broperty in her husband's name."—*Puck*.

Furious Frenchman (to 'Arry, who has just knocked his hat off "for a lark"): "Sacre! Feet I vood know se Engleeshe for ze bus, I vood blow your nose, by dam I am!"—*Phil May's Illustrated Annual*.

"Now, Thomas," said the teacher, "write me a sentence in which the words pine and butternut are used." And Thomas wrote: "The fellow felt almighty tough, when him his best girl cut; First he thought he'd pine away, and then he thought he'd butternut."—*Detroit Journal*.

Berham: "It took three hours for our parade to pass a given point."

Mrs. Berham: "Was the given point a saloon?"—*Truth*.

Widow Keegan (philosophizing): "Isn't it strange, Mister Kelly, that some of th' smartest men in this wur-uld luk loike dom fools?"

Mr. Kelly (doubtfully): "Are yea thyring t' flatter me, Norah?"—*Puck*.

The U. S. Casualty imbroglio has ended for the time being with Moore, Peet, Cheesebrough and Byrnes out as directors, but all but Mr. Cheesebrough still in as officials. Mr. Lott, who had also resigned, was reappointed, and the quartette are said to be living in perfect harmony for the time being. The company wants premiums and wants them bad.

They tell a story in Hartford of a bright lady who went to a "literary" party in that city, where each member of the company was dressed to represent a familiar work in literature. This particular woman wore copies of two sensational New York newspapers on her gown, and the party had little difficulty in deciding that she personified the Biglow Papers.—*Providence Journal*.

It was the Mutual Life which received the insurance, between \$600,000 and \$700,000, on the lives of the employees of the Chicago house of Siegel, Cooper & Co. That was a good stroke of business and no yarp about it.

A Chicago special to the *Journal of Commerce* says: Information is received that a revision of the insurance laws of the State of Illinois is being prepared by one of the prominent members of the Legislature, to which, it is said, many of the newly elected legislators are already pledged. Taking into consideration some of the proposed sections, this information, underwriters feel, is almost too good to believe. For instance, it is proposed to tax the companies a per cent. on their net receipts, and out of the fund so created the office of Fire Marshal of the State shall be maintained. The surplus, if any, shall revert to the general fund of the State. It is also proposed to repeal the reciprocal laws of Illinois and to do away with the law compelling the companies to pay \$50 per annum for having their annual statements published in Chicago and Springfield papers for fourteen times each year.

CALENDARS RECEIVED.

A very useful daily calendar for 1897 from the C. W. Holden Insurance Agency, of 30 Congress street, Boston. It will serve to keep insurance in the foreground every day of the year, and that is what every insurance man should try to do.

Monthly calendar of the Metropolitan Plate Glass Insurance Company, neat and artistic.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLCOTT, President Central Trust Co., New York.
 ERNST THALMANN, of Lubenborg, Thalmann & Co., Bankers, New York.
 WILLIAM ALLEN BUTLER, of Butler, Notman, Johns & Wynders, Con-
 sultors at Law, New York.

P. E. BASOR, Manager.

A. D. DOMMEYER, Asst. Manager.

THE

Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

95 Pine Street, New York.

General Manager, - - - - - DICKEY JOHNSON.

	January 1, 1896.	
Assets, - - - - -		\$8,307,680.04
Liabilities, - - - - -		1,597,814.70
Net Surplus, - - - - -		\$770,041.84

Trustees in the United States.

DONALD MACKAY, Esq., of Verulam & Co.
 CORNELIUS N. BILSON, Esq., of Biss, Fahnestock & Co.
 H. J. FARO WILD, Esq., of The H. H. Claiborne Co.

EDWARD LITCHFIELD, Manager New York Office.

H. M. FAIRCHILD, Assistant Manager New York Office.

SUBSCRIBE FOR

The Insurance Observer,
 \$2.00 a Year.

1850.

1896.

The United States
LIFE INSURANCE COMPANY
 In the City of New York.

This old and reliable company now has the experience of forty six years of practical life insurance, which has taught it that the surest way of success is the selection of good plans of insurance, and the pursuit of a liberal policy towards both its insured and its agents. These conditions it possesses in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are irrevocable after two years. They are non-forfeiting, providing generally for either paid-up policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its course during the past forty six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
 C. F. FRALEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
 W. E. STANLEY, Actuary. ARTHUR C. PERKINS, Cashier.
 JOHN F. MUNN, Medical Director.

FINANCE COMMITTEE.

GEORGE O. WILLIAMS, President Chemical National Bank.
 JOHN J. TUCKER, President Importers' and Traders' National Bank.
 E. H. PERKINS, Jr., Builder.
 JAMES H. PLUM, Leather.

A BICYCLE TOUR

Three gentlemen for a European tour purchased new hundred dollar bicycles. One a Columbia—the others of well-known high-grade manufacture. They had an agreeable trip—particularly the Columbia rider. Before returning to America, it being late in the year—and wishing to buy new machines in 1897—they sold their wheels to a London dealer. The Columbia bicycle brought \$65.00. The others \$40.00 and \$35.00 respectively. But one of the many proofs of Columbia superiority. If you look a year ahead there is wise economy in

Columbia
 Bicycles

\$100 **TO ALL**
ALIKE

STANDARD OF THE WORLD.

HARTFORDS, \$75, \$60, \$50, \$45

Better than almost any other bicycles.

POPE MANUFACTURING CO., Hartford, Conn.

Guests Bicycle Factory in the World. More than 17 Acres of Floor Space.
 Branches or dealers in almost every city and town. If Columbias are not properly represented in your vicinity, let us know.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING.
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1826.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,

38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.



G. LEE STOUT, Pres. THE MERCHANTS' INSURANCE CO. OF NEWARK, N.J. J. R. MILLER, Sec.

Capital fully subscribed, \$1,000,000.00.

Paid in, in cash, \$650,000.00.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

NEDERLAND

Life Insurance Company (Limited),
OF AMSTERDAM, HOLLAND.

Established 1858.

SPECIAL FEATURE: Combination Term Policies.

Low Rates. Ample Security.

874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.

JOHN CROWLEY BROWN, of Messrs. Brown Bros. & Co., Bankers.

JOHN T. FLEMING, Vice President of the Manhattan Trust Co.

JOHN D. KEFEY, Merchant.

JAMES B. FULTON, Merchant.

CHARLES E. WHITEHEAD, of Messrs. Whitehead, Slater & O'Brien, Com-
missioners at Law.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN.

General Manager, London.

GEORGE MUNRO ENDICOTT.

Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

Assets, over \$1,400,000.00.

Cash surplus to Policy Holders, \$1,000,000.00

The Guarantors
LIABILITY-INDemnITY-COMPANY.
OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager,

713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserves for insurance in force, etc.	4,181,080.19
Net surplus	2,075,806.13
Policy-holders' surplus	9,855,806.13
Gross assets	7,915,806.13

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President.

HENRY EVANS, Vice-President.

EDWARD LANNING, Secretary. CYRUS PECK, Treasurer.

R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager, GEO. E. KLINE, Asst. to Gen'l Mgr.,
Western Department, 312 Madison, Chicago, Ills.

RESPONSIBLE AGENTS WANTED.

Bankers Life Insurance Co.

OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.

ADVISORY BOARD.

J. EDWARD SIMMONS, President Fourth National Bank, New York.
CHAR. H. FANCHER, President First National Bank, New York.
STEPHEN BAKER, President Bank of the Manhattan Co., New York.
BENJAMIN S. MARON, Pres. Bank of N. Y., National Banking Association, N. Y.
A. B. REYNOLDS, Pres. Third Nat. Bank, N. Y., Inst. Comp. of Currency, U.S.A.
Policies issued year 1895..... \$95,000
Policies issued year 1896..... 2,500,000
Policies issued year 1897..... 5,913,500
Percentage of increase year 1895 over year 1894, 136 per cent.
Good agents wanted for territory in States of Wisconsin, Michigan, Minnesota, Indiana and Iowa.
Apply to
H. P. TOWNSEY, General Manager, 135-137 Broadway, New York City.

BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINSON, President and Managing Director.
RUSSELL & COMMON, Auditors.

BRANCH OFFICES.

New York—111 Broadway, D. J. Tompkins, Secretary.
Boston—45 Central Street, Geo. W. Grosvenor, Attorney.
Chicago—Room 611, The Temple, J. H. Fryer, Secretary and Attorney.
Philadelphia—45 Mutual Life Bldg., A. F. Bolster, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets,	- - -	\$232,141.03
Liabilities,	- - -	189,778.24
Surplus,	- - -	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.

ASSETS	\$5,542,629.88
SURPLUS	339,109.00
LOSSES PAID	6,073,409.10

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust.
Personal Accidents, Fire (Giant, Boiler, Elevator,
Employers', Landlords', and Common Carriers' Liability).

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLAR, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.



London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



CALEDONIAN

INSURANCE COMPANY

OF SCOTLAND.

FOUNDED 1808.

THE OLDEST SCOTTISH INSURANCE OFFICE.

United States Head Office: 27 & 29 Pine St., New York City.

CHAR. H. PORT, Manager.

M. A. McNEIL, Assistant Manager.

THE

FRANK A. COLLEY

INSURANCE AGENCY,

24 Central Street, Boston, Mass.

(LONG DISTANCE TELEPHONE 518.)

Insurance in any amount on property located in any portion of the United States or Canada written and placed at equitable rates in companies and associations that will bear the fullest investigation. Correspondence solicited.

QUEEN

Ins. Co. of America,
NEW YORK.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,

COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURWELL, Assistant Manager.

A. M. THORNBURN, Secretary.

NORWOOD INSURANCE CO.

OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1896.

Capital stock	\$100,000.00
Unearned premium reserve	15,000.00
Unadjusted net surplus income	24,715.98
Commission and other deductions	30,100.15
Net surplus	75,205.83

ANDREW J. ARMSTRONG, Sec.

GEORGE S. PORTER, Pres.

J. JAY NESTELL, Sec. Local Dep.

HENRY ADAMS, Jr., Vice-Pres.

CLINTON WEEKS & CO., Gen'l Agts., N. Y. Life Bldg., Chicago.

GERMANIA

FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1896.

Cash capital	\$1,000,000.00
Reserve for unearned premiums	1,240,000.00
Reserve for losses and other claims	180,000.00
Net surplus	2,420,000.00

Total assets \$3,710,000.00

HUGO SCHWANN, President.

FR. VON BERNUTH, Vice-Pres.

GEO. B. EDWARDS, 3d Vice-Pres.

CHAR. RUYKHAVER, Secretary.

GUSTAV KEHR, Assistant Sec'y.

WESTERN

ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

GEORGE A. COX,

J. J. KENNY,

President.

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1896.

Assets	\$1,651,129.98
Surplus in United States	521,768.70

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE UNITED STATES.

The Palatine

INSURANCE COMPANY, LTD.

OF MANCHESTER, ENGLAND



FOR FIRE INSURANCE.

Assets in United States \$2,036,336.98

Net Surplus \$88,320.67

Writing Large Lines on Insurable Buoys.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM BELL, WILLIAM WOOD, JOSEPH MANAGRA.

WILLIAM M. HALLARD, BRANCH SECRETARY.

21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

Have you seen the Latest and Best Policy?

Subject to the Invaluable Marine Non-Forfeiture Law
and contains all Up-to-Date Features.Plans: Tontine, Annual Dividend or Renewable Term.
INCORPORATED 1848.

UNION MUTUAL LIFE

INSURANCE CO.

PORTLAND, MAINE.

FRED E. RICHARDS, Pres. ARTHUR L. BATES, Vice-Pres.

Reliable Agents Always Wanted.

AGENTS: EDSON D. RUFFIELD, Supt., THORNTON CHASE, Supt.,
Lynn 1 34 William St., New York City. 3d Adams St., Chicago, Ill.

ORGANIZED 1804.

JACKSON

Fire & Marine Insurance Co.

(LIMITED)

OF NEW ORLEANS, LA.

F. W. YOUNG,

E. W. HART,

President.

Secretary.

Will write small lines on carefully
selected risks.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$202,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1874.

THE OLDEST NEW YORK COM-
PANY IN ITS LINE, AND THE
ONE HAVING THE LARGEST
NET SURPLUS.

January 1, 1896.

Assets, = \$419,806.30
Capital and Net
Surplus, = 297,885.06

EDWARD H. WOODWARD, President.
JAMES D. WOODWARD, Vice-President.
D. W. FARMER, Secretary.
JOHN P. COCHRAN, Gen. Agent,
No. 114 La Salle St., Chicago.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

ESTABLISHED 1866.

THE UNDERWRITERS POLICY (FIRE)

Issued by local agents in all prominent localities in the United States.

Head Office: 46 Cedar Street, New York.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS: E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City

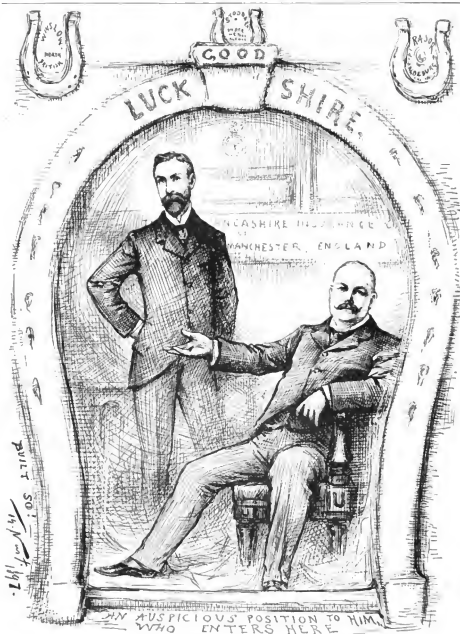
LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary



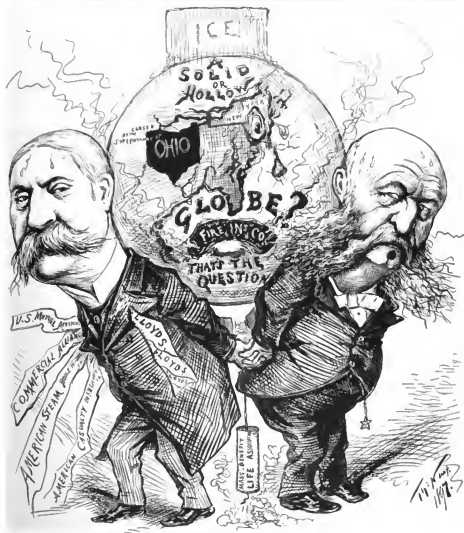
THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, JANUARY 16, 1897.

No. 4.



HELD UP.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

45 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - - \$2.00 per annum.

European Subscription (postage free), - - - - 2.50 " "

Possibly in Advance.

Single copies, - - - - 10 cents.

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W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

TIME INSURANCE.

Insuring one's time is the purpose of an accident policy as explained by the *Preferred Paramulator*, a very good way of explaining it indeed. The same is true of life insurance. If every one were assured of living long enough to accumulate a fortune, or to secure financial independence, there would be no need of life insurance. The duration of life being the unknown factor, life insurance becomes not the guaranty of the full measure of time, but the indemnity for unlived years. The record of lapses and surrenders presents whole volumes of testimony that life insurance largely is merely *time* insurance, and the policy holder is well satisfied to collect his insurance in years when he can. Any man is all right "if he lives," but it is when he doesn't live that it takes life insurance to save him from being all wrong.

INSURANCE MONEY IN NEW YORK REAL ESTATE.

The Tax Commissioners of New York City have fixed the assessed valuation of real property in the city, subject to final revision. The total value is placed at about \$1,735,000,000, which is considerably less than the true value. The office buildings of some of the insurance companies are among the pieces of property assessed at the highest figures. The Equitable building is listed at \$3,800,000; the Mutual Life, Nassau street building, \$1,070,000, and Broadway building \$800,000; the New York Life \$1,920,000, which probably does not include the assessed value of the new structure; the Manhattan Life, \$1,000,000; the American Surety, \$1,500,000; the Metropolitan Life, 13d street building, \$1,000,000, 27th street, \$550,000, Liberty street, \$325,000, and Pine street, \$375,000. The Home Life building is assessed at \$500,000; the Liverpool & London & Globe, the Royal and the Germania Life each at \$150,000; the Niagara at \$425,000; the Continental at \$400,000; the Fidelity & Casualty, the Washington Life and the Williamsburg Fire each at \$325,000. These valuations as

a rule are very much less than the true values, but they serve to suggest the magnitude of insurance investments in New York real estate.

THE WAY THEY OWN IT.

An advertisement of the New York Life Insurance Company says: "Composed of over 275,000 policy holders who are the company, who own the company," etc.

The *Louisville Herald*, discussing the question, "Do policy holders own the company?" says:

As contributing somewhat to an enlightenment upon the subject, "Do the policy holders actually own a mutual company?" there is the experience of Mr. Isaac Ringelder of the large city of, say, Edenville, Tennessee, which is in line. Mr. Ringelder had a fire and a loss claim for \$11,000, which was, by the way, subsequently amicably settled for \$510. But while the claim was pending he felt some distrust of the adjusters and went to New York to see the home office managers. While he was there it occurred to him that dividends on his life policy had greatly dwindled, and, as he was there on insurance, he would go round to the office of his life company and inquire into it. So he went around early one morning, was railroaded through many interminable corridors and cul-de-sacs (so to speak) in many wrong rooms for wearisome waits, but about three in the afternoon entered the fatal room where he was told was to be found the men who knew all about the dividends.

"A young fellow was sitting at a desk, smoking a cigar," said Mr. Ringelder, "and had his feet on the desk. I bowed to him politely and he looked tired and worn out." "Well," says "I am Mr. Ringelder, of Edenville, in Tennessee, and for fifteen years now a policy holder of our company."

"Lazily it seems to me that our company is not doing so well as it used to do; our dividends is falling off, and I come in to ask you if it is all right and proper; if I should be satisfied with it, or if there is anything we policy holders can do to help our company to make more money. In other words, have we all reason to be satisfied and glad of our company?"

"Well, that young fellow took his cigar out of his mouth, plowed some smoke up at the ceiling and looked at me in a way-off manner, and he said very slow and soft:

"Master Ringelder, of Edenville, in Tennessee, I think that you had a d—d good reason to be glad that you are alive, if you have got a railway ticket back to Edenville, Tennessee. If you have it, you can still be happy some day, if you have brought a heavy overcoat on with you."

"I have talked to other policy holders since," concluded Mr. Ringelder, "and I found that their experience was that they owned just as much of the company as I did. So we are all equally happy and satisfied with our lot. That young fellow knows a lot."

WESTCHESTER FIRE INSURANCE COMPANY.

The Westchester Fire Insurance Company "has been in continuous and successful operation for three score years," and its statement for the year just closed shows that its property is not yet on the ebb, nor likely to be in the immediate future. The total assets on December 31 were \$2,241,054, an increase of \$208,809 for the year. In the past ten years they increased \$937,000, or about 75 per cent. In no other year in the decade was the increase as large as in 1896. The surplus has also made an exceptional gain, growing from \$474,181 a year ago to \$703,389 at the present time, an increase of \$229,208. The largest previous gain in the past ten years was in 1895, and then it was only \$106,000. The strength of the Westchester is indicated in the fact that it can pay every dollar of its liabilities and return to the stockholders \$3.34 for every dollar of stock owned by them.

A SPOTTED PA(Y)NE.

On the inside of the plate glass show window of a New York store, so as to be read from the outside, is fastened a card bearing the following inscription:

*You may be a believer in hypnotism or not,
but if you will touch the spot below you will
feel a pain.*

It may be hypnotism or merely Platonic affection operating through the will power of the Governor of New York State, but it seems to be a very decided fact that in a short time "if you will touch the spot" above the insurance department of this State "you will feel a Pain." It is also true that when you feel the Pain you will touch a "spot" that the same Governor will sooner or later find to his discomfort will not out.

PHENIX OF HARTFORD.

Among the first of the leading fire insurance companies to report its condition at the close of 1896 is the Phoenix Insurance Company of Hartford. The experience of the company last year was exceptionally favorable, and the total losses paid were only about \$1,700,000, or \$700,000 less than in 1895. In no other year since 1890 has the company fared as well. The total assets on December 31 were \$5,320,165, as compared with \$5,146,519 a year ago. The net surplus over and above the capital of \$2,000,000 is \$720,836, an increase of \$308,500. The Phoenix has been making insurance contracts and keeping them for more than forty years, and in that time has paid its policy holders \$39,739,174.

STATE AND LABOR INSURANCE.

The December number of the Consular Reports contains the reports of Consuls J. C. Monaghan at Chemnitz and Irving B. Richman at St. Gall, on the experiment made in Switzerland of insuring against loss of work. Consul Monaghan's report, dated September 26, explained the plans adopted in the Swiss cantons, Berne and St. Gall. In the latter canton insurance was made compulsory, in the former not.

The Berne plan includes all working people, laborers and professional people, under one head. Each person insured pays 8 cents a month, and each city in the canton contributes \$1,351. Members must have been enrolled six months, paid dues regularly and be out of work fourteen days before being entitled to a pension. The aid given is one franc daily for unmarried men and one and a half francs for married men. The money is paid only during December, January and February. A workman who refuses to take any work offered him or loses his work through his own fault, or joins in a strike, loses all rights to the pension. The success of the plan is still somewhat problematical. In 1894 pensions were paid to 226 of a total of 390 members, and in 1895 to 169 of a total of 605 members. But for the cantonal subscription the plan would have failed in 1894.

The St. Gall plan has already been numbered with the "departed," although in September Consul Monaghan was constrained to say that "in St. Gall the result was better, because it was based on obligatory membership and contributions." Under the St. Gall plan, each person, citizen or

stranger, earning under 5 francs per day, was compelled to contribute, children earning under 3 francs daily alone being exempted. The payments varied with the amounts earned; persons earning from 4 to 5 francs paid 30 centimes (6 cents) a week. The pension rates ranged from 1.80 to 2.40 francs per day, and the payments were limited to 60 days in any one calendar year. It was estimated when Mr. Monaghan made his report that the year's income would be 30,303 francs, and the expenditures, pensions, etc., 38,000 francs. It was hoped that the deficiency would be wiped out, "never to recur again," but the consul expressed this prophetic view: "It is not in the nature of things for such a system to succeed, even among so loyal, loving and gentle a folk as are the Swiss."

Only a few weeks after the consul at Chemnitz had written the report containing the above statement the St. Gall system was abolished. The abolition was voted on November 8, 1896, and Consul-General Ridman, at St. Gall, writes to our State Department concerning it as follows: "This action was taken at the instance of laborers themselves, who found that a system which insured against loss of work resulted in the promotion of laziness and idleness. In fact, a knowledge of the existence of this system of insurance had drawn to St. Gall a considerable number of unemployed from other parts of Switzerland, with the object of obtaining support at the expense of resident laborers."

This fable teaches.

IT SHOULD PROVE ITS ASSERTIONS.

The *Standard* of January 16th says: "It is entirely in order to ask that it present the proofs of its assertions." Quite so. Now will the *Standard* kindly "present the proofs of its assertions" as contained in its issue of January 16, and reproduced with credit in the *Insurance Observer* of even date?

THE HOME LIFE INSURANCE COMPANY.

The thirty-seventh annual statement of the Home Life Insurance Company shows that this conservative institution has gained in income, assets and surplus, and closes the year better off than it was twelve months ago. The total admitted assets on January 1, 1897, were valued at \$9,384,857, as against \$8,981,863 on the corresponding date in 1896, an increase of about 4 1/2 per cent. After setting aside a reserve of \$372,923 on deferred dividends there is a surplus of \$1,035,744 as compared with \$1,025,198 a year ago. The total income was \$2,054,540, an increase of about 1 1/2 per cent. The ratio of assets to liabilities, exclusive of deferred dividends, is 117 1/2 per cent.

A very strong endorsement of the company is contained in the report of Superintendent Pierce, based on the examination of the company made by the Insurance Department at the request of the company last autumn. The report is dated December 15, 1896, and in it Superintendent Pierce says: "The examination was a verification of the company's annual statement made to the Department for the year ending December 31, 1895, and almost a literal verification of the company's figures was found. The report shows conclusively that the management of the company is satisfactory and for the best interests of the policy holders."

"It does prevent a man's having regular hours to be away from home," remarked the prominent citizen. "But I did my best to eat as usual while I was in New York. I managed to get along with breakfast, lunch, and a light supper." "No dinner?" "Young man, I read the papers. I have a reputation to sustain, and I concluded that a stranger like myself had better not take any chances on a dinner."—*Washington Star*.

INDUSTRIAL INSURANCE BENEFITS.

The two great industrial insurance companies, the Metropolitan and the Prudential, have adopted the surest means of increasing their popularity and of extending their business. Liberality to policy holders justified by sound business principles is bound to prove a good investment. That these companies should voluntarily give to their policy holders benefits not contemplated in the original contracts between the parties shows not only the desire of the respective managements to give the greatest good to the greatest number, but it also explains the remarkable success of those companies.

THE HARTFORD FIRE INSURANCE COMPANY.

There is no sign of senility in the statement published by the Hartford Fire Insurance Company, even if the company is the "oldest insurance company in Hartford" and very nearly the oldest in the United States. Its total assets now amount to \$10,004,697, and as a year ago there was only one fire insurance company in the United States whose assets equaled \$10,000,000, the conspicuous position of the Hartford is at once apparent. The assets increased \$775,000 last year, and the net surplus \$364,000. These are not exactly record-breaking figures for the Hartford, for it has made many very long upward strides during its brilliant career, but they are big gains and made without stinting the stockholders in the matter of distribution of profits. The assets have increased nearly \$5,000,000, or 100 per cent. in the past ten years, more than \$3,000,000 in the last half of that period. The surplus increased nearly \$1,500,000 in the ten years, and nearly \$1,000,000 since 1893. The Hartford rivals the best of wine in its age improving qualities.

A QUESTION OF HOURS.

The rule of strict construction, which so frequently operates to the disadvantage of insurance companies when they are brought to court, sometimes works the other way. A policy issued by the John Hancock Mutual Life Insurance Company on July 25, 1894, which took effect on the day of its date, was by its terms to be enforced for the full amount only, "after one year from date," and if the insured died after six months, one-half the sum named in the policy was to be paid. The insured died at 7 o'clock on the morning of July 25, 1895. In a suit against the company by one Walker to recover under the policy, the Supreme Court of Massachusetts had held that in computing the year, the day of the death of the policy should be excluded, and that, therefore, the death was within one year, and the beneficiary was entitled only to the amount to be paid in the event of the death of the insured after six months and within one year.

THE BETTS-ÆTNA LIFE SUIT.

The demurrer of the Ætina Life Insurance Company in the suit of Insurance Commissioner Betts has been overruled by Judge Wheeler of the Supreme Court, at Hartford, Conn. The decision is not upon the merits of the case and will simply compel the defendant to interpose an answer. The judge's opinion, however, is strongly against the Ætina on the merits, but even stronger opinions have been overruled on appeal, as witness the Metropolitan case a few months ago,

BEN S. CALEF.

The sudden death of Major Ben S. Calef on January 9th, caused universal sorrow in insurance circles. Major Calef apparently was in perfect health the day before he died, but was fatally stricken with nervalgia of the heart. He had been connected with insurance interests for nearly 25 years past, and for many years has been one of the most prominent and best respected figures in the insurance world. At the time of his death he was manager of the eastern department of the Manhattan Life Insurance Company, which position he had officially filled for four years. He was president of the National Association of Life Underwriters in 1895-6, and at one time was president of the Boston Life Underwriters Association.

THE AETNA INDEMNITY COMPANY.

The Aetna Indemnity Company is being organized by some of the officials of the Aetna Life Insurance Company. It is to have a capital of \$100,000, and will do accident, employers' liability, burglary, fidelity, plate glass, and elevator insurance. The incorporators are Vice-President J. C. Webster of the Aetna Life, Gen. William H. Bulkeley, Appleton R. Hillyer, President Ralph W. Cutler of the Hartford Trust Company, John O. Enders and Austin Brainard.

A "COWARD'S" CONFESSION.

"HE FIGHTS UNDER COVER OF THE NIGHT."

(From the Surveyor.)

Once upon a time there was a small but energetic flock of very sharp individuals who sought to gain control of some one of the modern sized life insurance companies—any old life insurance company, so long as it was an old-liner and previously respectable. What they intended to do to the company they hoped to get hold of can only be surmised; probably they "wouldn't do a thing" to it. They had their eyes upon a company which seemed to promise success to their efforts, and they made a particular effort to land the stock on their side of the river. But it happened that an able and experienced and reputable life insurance man was offered the controlling interest, and he decided to accept it. This was a good thing for the company's policy holders, but the plans of the schemers were entirely upset, and they became wroth at their defeat. So they said to themselves, "We will revenge our grief upon this man by making his way difficult." And they induced an alleged insurance journal, with which one of them was more or less connected, to attack the man and the company. And the alleged insurance journal yawned. And the man heeded it not, saying to himself, "The mud cannot stick to me, while it spatters them."

AND SEEMS TO KNOW WHAT HE IS.

(From the Surveyor.)

He is a coward. He fights under cover of the night, and dares not come out in the open. . . . If he had a just grievance, and there was a spark of manhood about him, he would come out boldly and declare himself.

"Mrs. O'Rourke," said the Reverend Father McMurphy, "why do I never see Patrick at church now?"

Mrs. O'Rourke shook her head sadly.

"Is it anarchy?"

"Worse than that, your reverence."

"Is it atheism?"

"Worse, your reverence."

"What is it, then?"

"Rheumatism."—*Pittsburg Chronicle Telegraph.*

ITS BEST YEAR'S BUSINESS.

The Union Central Life Insurance Company of Cincinnati has not yet made up its final report for the year 1896, but enough is known to assure the management that congratulations are in order. The amount of business written exceeds that of any previous year in the thirty year period during which the company has been in operation. The new business issued and revived amounted to \$30,101,000. That exceeds the total for 1895 by \$1,500,000. The amount of insurance in force at the close of the year exceeded that of a year ago by \$9,500,000, making the total about \$94,000,000. There was an increase of more than \$2,000,000 in assets, which raises the aggregate to about \$16,500,000. The Union Central has been growing very rapidly in the last few years. In five years the insurance in force has increased \$37,000,000, or more than 60 per cent., and the assets \$8,500,000, or 110 per cent.

NOT OUT OF THE WOODS.

Three causes, the New York Times finds, have operated to give fire underwriters a good year in 1896. They are: First, the vigorous prosecution of persons guilty of arson, which has caused a decided check upon the profitable business of incendiarism. Second, the methods of conducting the insurance business have been made more careful and systematic by co-operation among the companies. Finally, there has been much improvement in the construction of buildings, due to more effective laws and their better administration, as well as a keener appreciation of the economy of safe construction.

Fire underwriting would be in its millennium if the permeability of these causes were assured, that is if there were nothing else to make the business hazardous or unprofitable. But there will be bad years to come.

OBSERVATIONS.

The Preferred Accident Insurance Company wears its honors modestly. It has a director presiding over the State Senate, and not the result of an accident either. He was "preferred" above others because he deserved it.

Elder Singkong (at Sing Sing): "Doesn't your mind turn with sad regret to other Christmas days spent in other places?"

The Prisoner: "Well, it ain't so pleasant here as it was at Joliet, but it's better 'n it was at Elmira—and, say! Snake Hill ain't in it at all!"—*Puck*.

Father: "It will be only right to settle my daughter's fortune on her children."

Foreign Suitor (excitedly): "Parbleu! I not know she has any."—*Brooklyn Life*.

The original sewer gas Journal of New York has opened a man-hole under the United States Industrial Life of Newark. It accuses the company of fraud and deceit, and the fela organ which played a fake circulation upon its advertising patrons has taken umbrage thereat. Has the *World* a copyright on cheating?

"Do you like cabbage?"

"Well, I never eat it, but I smoke it sometimes."—*Chicago Record*.

"Papa don't need to say his prayers."

Mamma: Why not?"

"Cause it's most morning when he goes to bed."—*Brooklyn Life*.

"There's one thing about my girl," yawned Freshly, "she's awfully chic."

"Yes, and no spring chick at that."—*Detroit Free Press*.

The loss of property by fire in New York City in 1896 is officially estimated at about \$3,500,000. That does not seem to be very much for a city as wealthy as the metropolis of the Western world. But 500 families could live very comfortably on the income from that sum. It is what is wasted that makes the world poor.

A farmer's son up in the country conceived a desire to shine as a member of the legal profession and undertook a clerkship in the office of the village pettifogger at nothing a week. At the end of the first day's study the young man returned home. "Well, Tobe, how d'yer like the law?" was the first paternal inquiry. "Tain't what it's cracked up to be," replied Tobe. "Sorry I learnt it."—*Harlem Life*.

And now it is the Washington Life which is about to erect a star tickler. On the southwest corner of Broadway and Liberty Street it will erect an 18 story fire-proof structure to cost more'n a million.

The Court: "You say you were unable to see the fire; how was that?"

Goldstein: "So help me gracious, it was a dark night, your worship."—*Up to Date*.

Commissioner Merrill and Superintendent Pierce—or should it be in reverse order?—are expressing their distinguished consideration for each other. Even with the whole globe between them they seem to be close friends and allies.

The savage monarch shook his head.

"*Nisi bonum de mortuis*," he said. "That is, don't roast the dead. I guess you'll have to make it a plain fry."

The royal *chef de cuisine* heard the kindly mandate in silence as became him.

As for his majesty, it was well understood that he was strongly affected by the inspiration of the classics.—*Detroit Journal*.

Presenting bills to examined companies, when the latter are fired, always fills the air with noxious vapors. Bills are, of course, presented when the examinations are favorable, but nothing is heard about them, which saves the atmosphere. Still, the bill business is bad, and often suggests the bludgeon or rather billy.

"Why can't you get an accident insurance, Grumpy?"

"Because they say I'm too stiff to dodgy bicycles."—*Detroit Free Press*.

That was a mean trick that was played upon the Nashville, Tenn., fire department. The fire cistern in the public square was asphalted over a couple of months ago, and when a fire broke out the department could not find the cistern.

Good luck may have had very much to do with making the fire insurance business unusually profitable last year. Still there was good management, else the saving on fire waste would have been offset by losses from cut premiums. Underwriters acted very sensibly last year—in general.

Two Continental Insurance Companies cannot but be twice as good as one, if both are to be in the same hands. This is what is proposed in a circular letter to the stockholders of the Continental, announcing the purpose of organizing another company with a capital of \$500,000, a surplus of \$400,000 and a reserve of \$50,000, and inviting all to come in. That will be a healthy offshoot from the parent stem, which has a capital of \$1,000,000, surplus of \$2,000,000 and reserves of \$3,500,000. The name of the youth has not yet been announced, but the latter will be walking—and running—by about March 1st next.

The insurance committee of the New York Assembly this year is: Husted, of Westchester; Hobbie, of Washington; Adler, of New York; Sheldon, of Cayuga; Matson, of Cattaraugus; Forrester, of Kings; Sweet, of Greene; Addis, of Putnam; McLaughlin, of Sullivan; Vancott, of New York; Belien, of Onondaga; Roche and Donnelly of New York.

"I am told that you sometimes hang negro suspects without the formality of a trial in this State," remarked the visitor.

"We nevah hang a niggah suspect, sah," replied the Kentuckian. "A niggah, sah, is a suspect only until he is captured; after that he becomes a dead certainty."—*Chicago Times-Herald.*

Tennyson used to tell the story of a farmer who, after hearing a red-hot sermon of never-ending fire and brimstone, consoled his wife quite sincerely with the naive remark: "Never mind, Sally; that must be wrong; no constitution could stand it."—*Tu-Bu.*

Herman M. Saloman, whom ex-Police Superintendent Byrnes had indicted for criminal libel because of something he said about the X in connection with the burglary of Paul Salvia's store, has retracted, and the indictment has been dismissed. Suppose now that the ex-Super undertakes to force a retraction out of Dr. Parkhurst.

One of the district school trustees was a crank on the subject of fire, and when he called around with the examining board he always confined his remarks to a question addressed to the pupils as to what they would do in case the building should catch fire.

The teacher was acquainted with his hobby, so she prompted her scholars as to the answer they should give when he arose to propound his accustomed inquiry.

When the board called, however, this particular trustee, perhaps from a desire to emulate his associates in their addresses, rose and said:

"You boys and girls have paid such nice attention to Mr. Jones' remarks, I wonder what you would do if I were to make you a little speech?"

Quick as thought a hundred voices piped in unison:

"Form a line and march down stairs."—*Detroit Free Press.*

"Poor Jaggie, he took out some insurance just the day he died."

"Fire, I suppose?"—*Pittsburg News.*

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLCOTT, President Central Trust Co., New York.
ERNEST THALMANN, of Leffelsburg, Thulmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Nutman, Johns & Mynders, Co.,
editors at Law, New York.

P. E. RASOR, Manager.

AD. DOHMEYER, Asst. Manager.

THE

Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

January 1, 1896.

Assets, - - - - -	\$2,007,810.04
Liabilities, - - - - -	1,097,214.70
Net Surplus, - - - - -	\$770,041.84

Trustees in the United States.

DONALD MACLAY, Esq., of Vermont & Co.
JOHNELLUS N. BROWN, Esq., of Pitts. Fabry & Co.
H. J. FAIRCHILD, Esq., of The H. B. Clifton Co.

EDWARD LITCHFIELD, Manager New York Office.
H. M. FAIRCHILD, Assistant Manager New York Office.

SUBSCRIBE FOR

The Insurance Observer,

\$2.00 a Year.

1850.

1896.

The United States LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty six years of practical life insurance, which has taught it that the true test of success is the adoption of good plans of insurance, and the pursuit of a liberal policy towards both its insured and its agents. These principles are common in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are incontestable after two years. They are non-forfeiting, providing generously for either paid-up policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its course during the past forty six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
C. F. FIALLEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANDER, Attorney. ARTHUR C. PERRY, Cashier.
JOHN F. MUNN, Medical Director.

FINANCE COMMITTEE.

GEORGE O. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, President Importers' and Traders' National Bank.
E. H. PERKINS, Jr., President Leather.
JAMES R. FLUM, President Leather.



NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.



Capital fully subscribed, \$1,000,000.00.
Paid in, in cash, \$650,000.00.

The
Guarantors
LIABILITY-INDemnITY-COMPANY.
OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager,

713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

NEDERLAND

Life Insurance Company (Limited),
OF AMSTERDAM, HOLLAND.

Established 1858.

SPECIAL FEATURE: Combination Term Policies.

Low Rates. Ample Security.

874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.

JOHN CROSBY BROWN, of Messrs. Brown Bros. & Co., Eastern.

AMOS T. FRENCH, Vice-President of the Manhattan Trust Co.

JOHN D. KELLEY, Merchant.

JAMES E. POTTER, Merchant.

CHARLES F. WHITEHEAD, of Messrs. Whitehead, Dexter & Osborn, Overseers-at-Law.

THE EMPLOYERS' Liability Insurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN,

General Manager, London.

GEORGE MUNROE ENDICOTT,

Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 51 Cedar St., N. Y.

Assets, over \$1,400,000.00.

Cash surplus to Policy Holders, \$1,000,000.00

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserves for insurance in force, etc.	4,101,000.10
Net surplus	3,013,800.10
Policyholders' surplus	2,003,800.10
Gross assets	7,210,800.20

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANSING, Secretary. CYRUS PECK, Treasurer.
R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.
WESTERN DEPARTMENT, REALTY BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

Bankers Life Insurance Co.

OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.

ADVISORY BOARD.

J. EDWARD HUNTON, President Fourth National Bank, New York.
CHAR. H. FANCHER, President Irving National Bank, New York.
STEPHEN PARKER, President Bank of Manhattan, New York.
EDMUND S. MASON, Pres. Bank of N. Y. National Banking Assoc'n, N. Y.
A. B. HEPBURN, Pres. Third Nat. Bank, N. Y. Nat. Com. of Currency, U. S. A.
Policies issued year 1895 \$100,000 || Policies issued year 1894 | \$300,000 |
Policies issued year 1893	\$617,500
Percentage of increase year 1893 over year 1894, 130 per cent.	
Good agents wanted for States of Wisconsin, Michigan, Minnesota, Indiana and Iowa.	
Apply to	
H. P. TOWNSELY, General Manager, 110-112 Broadway, New York City.	

BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINS, President and Managing Director.

RICHARD L. COMMON, Auditors.

BRANCH OFFICES.

New York: 311 Broadway, H. J. Tompkins, Secretary.
Boston: 45 Central Street, Geo. W. Hutchinson, Attorney.
Cambridge: House 10, The Trustee, J. H. Froy, Secretary and Attorney.
Philadelphia: 47 Mutual Life Bldg., A. F. Boston, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1802.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets, - - - -	\$232,141.03
Liabilities, - - - -	159,778.24
Surplus, - - - -	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$9,843,429.20
SURPLUS	333,104.35
LOSSES PAID	8,673,409.30

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust.
Personal Accidents, Plate Glass, Boiler, Elevator,
Employees, Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. REWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.

CALEDONIAN

INSURANCE COMPANY

OF SCOTLAND.

FOUNDED 1806.

THE OLDEST SCOTTISH INSURANCE OFFICE.

United States Head Office: 27 & 29 Pine St., New York City.

CHAR. H. POST, Manager.

N. A. MUNZEL, Assistant Manager.

THE

FRANK A. COLLEY

INSURANCE AGENCY.

24 Central Street, Boston, Mass.

(LONG DISTANCE TELEPHONE 896.)

Insurance in any amount on property located in any portion of the United States or Canada written and placed at equitable rates in companies and associations that will bear the fullest investigation. Correspondence solicited.

QUEEN

Ins. Co. of America,
NEW YORK.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,

COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. PURCELL, ASSISTANT MANAGER.

A. M. THORNBURN, SECRETARY.

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1896.

Capital stock	\$200,000.00
Unearned premiums	115,000.00
Unadjusted and unpaid losses	96,700.00
Commission and other liabilities	20,100.10
Net surplus	75,250.00
	\$407,050.10

ANDREW J. ARMSTRONG, Sec.

GEORGE S. PORTER, Pres.

J. JAY NORTON, Sec. Local Dept.

HENRY ADAMS, JR., Vice-Pres.

CLINTON WEEKS & CO., Gen'l Agts., N. Y. Life Bldg., Chicago.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1896.

Cash capital	\$1,000,000.00
Reserve for insured losses	1,500,000.00
Reserve for losses and other claims	100,000.00
Net surplus	1,500,000.00
Total assets	\$2,510,000.00

RUGO SCHUMANN, President.

FR. VON BERNUTH, Vice-Pres.

GEO. B. EDWARDS, 3d Vice-Pres.

CHAS. RUYKHAVER, Secretary.

GUSTAV KEHR, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

GEORGE A. COX,

J. J. KENNY,

President.

Vice-Pres and Mgr. Director.

United States Statement, January 1, 1896.

Assets	\$1,651,129.98
Surplus in United States	521,768.70

HANOVER FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE UNITED STATES.



FOR FIRE INSURANCE.

Assets in United States	\$5,850,000.00
Net Surplus	\$28,500.47

Writing Large Lines on Desirable Batches.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM HILL, WILLIAM WOOD, Joint Managers.

WILLIAM M. HALLAM, Branch Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION ASSURANCE CO., (LIMITED) OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

Have you seen the Latest and Best Policy?

Subject to the Invaluable Maine Non-Forfeiture Law
and contains all Up-to-Date Features.Plans: Tontine, Annual Dividend or Renewable Term.
INCORPORATED 1848.

UNION MUTUAL LIFE INSURANCE CO. PORTLAND, MAINE.

FRED E. RICHARDS, Pres., ARTHUR L. BATES, Vice-Pres.

Reliable Agents Always Wanted.

Agents: EDWIN B. ROYCE, JR., Sup., THORNTON CHASE, Sup.,
EDWIN J. Ad. William St., New York City. 2d Adams St., Chicago, Ill.

ORGANIZED 1894.

JACKSON Fire & Marine Insurance Co. (LIMITED), OF NEW ORLEANS, LA.

F. W. YOUNG, E. W. HART,
President. Secretary.Will write small lines on carefully
selected risks.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$283,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK
Chartered 1854.

THE OLDEST NEW YORK COM-
PANY IN ITS LINE, AND THE
ONE HAVING THE LARGEST
NET SURPLUS.

January 1, 1896.

Assets, = \$400,000.30
Capital and Net
Surplus, = 297,884.56

EDWARD H. WOODS, President
DAVID D. WOODS, V. President,
S. W. H. SMITH, Sec'y.
JOHN P. CHAMBERS, Gen. Agent,
No. 104 La Salle St., Chicago.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

ESTABLISHED 1864.

THE UNDERWRITERS POLICY (FIRE)

Issued by local agents in all prominent localities in the United States.

Head Office: 48 Cedar Street, New York.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City

LLOYDS
PLATE GLASS
Insurance Company

Cash Capital
\$250,000.

OF NEW YORK

Incorporated
1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary

THE SUMMIT OF SUPREMACY.

PRESIDENT 1892-7.

VICE PRESIDENT 1888.

ASSISTANT SECRETARY 1868.

ETNA

LOSSES PAID IN 78 YEARS, \$79,198,979.38

STILL CLIMBING.

ASSETS.

December 31.	
1886, -	\$9,658,840
1892, -	10,915,829
1896, -	11,431,184

NET SURPLUS.

December 31.	
1886, -	\$3,450,221
1892, -	3,607,548
1896, -	3,849,988

Surplus for Policy Holders, \$7,849,988.06

THE INSURANCE OBSERVER.

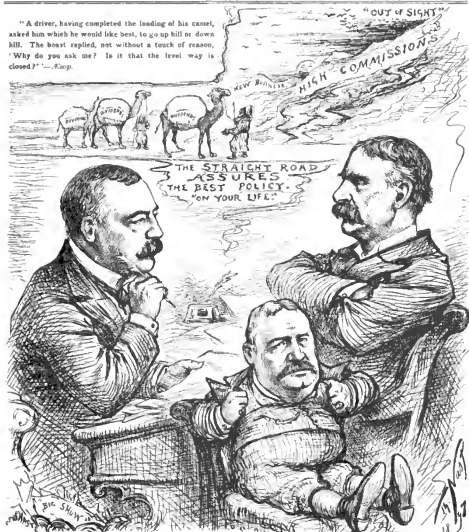
"With malice toward none, with charity for all."

Vol. II.

NEW YORK, FEBRUARY 1, 1897.

No. 5.

"A driver, having completed the loading of his camel, asked him which he would like best, to go up hill or down hill. The beast replied, not without a touch of reason, 'Why do you ask me? Is it that the level way is closed?'"—Aesop.



WHAT WILL BE THE DECISION AND WHO WILL DECIDE?

"ONE CAN CARRY MORE ON A LEVEL ROAD."

"THE UP AND DOWN HILL SYSTEM IS GROWING MOUNTAINOUS."

"BUT IT LOOKS BIG TO CLIMB MOUNTAINS."

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

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European Subscription (postage free), - - - - 2.50 " "

Payable in Advance.

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W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

WHO WILL BE THE LEADER?

The old, old question that ever is new, the reduction of premiums on new business is discussed intelligently and exhaustively in the *Insurance Record*. The article covers the ground very completely, and leaves little or nothing more to be said. One point may be suggested, however, and that is that anything paid in excess of a fair commission on first year's business means a loss to the company and a mortgaging of the premiums of succeeding years. Even at 50 per cent., which seems to be the rate of commission which the *Record* would select as fair and liberal, there would be nothing for the company the first year after making due allowance for other expenses (on account of new business), death losses, reserve, etc.

It must be one of the three giants who shall lead in the reform proposed. Either one, we believe, is large enough and strong enough to institute the reform alone and to carry it to success. The three working together in good faith and well intentioned to the purpose, would be invincible and supreme. Either of the companies could afford to stop writing new business for three or five years if necessary, assured that in the end the showing it could make would stampede the insuring public to its doors. One of the giants should strike the blow at excessive expense for new business, and thus raise the productive power of insurance.

MORE HEEL LIFTING IN KANSAS.

Sound money literature put into circulation by insurance companies last autumn is no doubt responsible for the crazy efforts of Kansas officials to injure the companies. To what length their madness goes is indicated in a bill introduced in the legislature, directing the superintendent to revoke the authority of any company to do business in the state which dares to ask for a change of venue or to remove to a federal court any action in which it is a party. The Kansas bleeder who think that out has genius. Let him look out that it does not land him in jail. Court-baiting patriots sometimes get into a heap of trouble. Ask Debs.

FIRE INSURANCE RATING.

There is enough uncertainty in fire underwriting, which no experience can possibly eliminate, to make it very unlikely that a perfect system of rating will ever be devised. It unquestionably has not been discovered yet, in fact there is no system about it. A man has only to own insurable property in enough locations, and to take out policies on it all, to discover that fire insurance rating is as eccentric and as exempt from the tyranny of logic as the ravings of a flat money orator. If all property burned up at some time, or all people die sooner or later, it would be easier to put fire underwriting on a surer basis of established cost, and then rating risks would be simplified. But only a small percentage of houses or merchandise is ever destroyed by fire, and all the experience of all ages is impotent to frame a formula by which the chances of one piece or a thousand pieces of property being burned in one year, or in forty years, can be calculated with approximate accuracy.

Fire underwriters have had an exceptionally favorable year; they ought to feel good, and would, but who knows but what a conflagration may in a few hours or days wipe out the gains of the past ten years? By distribution of risks and limitation of lines, fire underwriters have minimized or rather lessened the risk of being bankrupted by their fire losses. They have not been as fortunate in the classification and rating of risks, "good risks" often burn young, while "bad risks" grow hoary with age.

We have knowledge of one case where a company was offered a row of frame buildings in a town with no fire fighting equipment to speak of, and at the same time a row of brick houses in a city having an excellent fire department and the necessary facilities for extinguishing fires then in vogue. The manager decided to accept the brick and to reject the frame risk, but by some misunderstanding the directions were followed in the reverse order and the frame buildings were written. The mistake was not discovered for some time after, and then no effort to correct it was made. Thirty years after the company found that it had collected premiums on that property for the entire time, and had never been called upon to spend a cent on it, while upon hunting up the record of the brick buildings it was ascertained that within three years after the application had been rejected they had been almost totally destroyed by fire.

This does not prove that frame buildings are less liable to destruction by fire than brick structures, but it does show the fallibility of the rule that makes the former a more hazardous risk than the latter. In rating risks it is obvious that uniformity ought to be the basic principle. Things which are equal to the same thing should equal each other, and risks which are precisely alike should be treated alike. Fire insurance is a scheme of averages, and the further underwriters depart from the average feature the more likely are they to find experience, and their nicely made plans in sharp contention.

A MERITED PROMOTION.

It was a graceful recognition of the great worth of Mr. Eugene L. Ellison as a man and as an insurance official that brought about his election as vice-president of the Insurance Company of North America, in place of Mr. George H. McFadden, who declined to continue in that office. Mr. Ellison was second vice-president of the company, and he has been ever a zealous and able official.

THE INSURANCE GIBRALTAR.

There is no secret in the success of the Prudential Insurance Company of America, the famous Gibraltar of insurance. Worth and merit, diligence and faithfulness, integrity and humanity, have been the factors which have made the Prudential the splendid institution that it is. To President John F. Dryden, who formed the company twenty-one years ago, must be granted the distinction of having contributed to the Prudential the very characteristics which have distinguished the company and made it great. The company has grown steadily ever since it began business, and each year has shown better results than its predecessors, the last year being the best in its history. In twelve months the assets have increased \$3,761,673, the surplus to policy holders \$724,379, and premium receipts \$1,436,877. The company now has assets aggregating \$19,541,817, and its surplus for policy holders is 4,034,116. Last year the company wrote \$189,000,000 new insurance and paid to paid to policy holders \$4,400,000. It has paid its policy holders since organization more than \$25,000,000, and now has 1,475,000 policies in force.

The business of the ordinary branch is showing a wonderful growth, as the following comparison for five years will show:

	1891.	1896	8 Yrs. Increase.
Policies issued.....	5,977	17,695	12,618
Amount of insurance written.....	\$6,501,435.50	\$21,190,031.00	\$14,688,595.50
Payments to policy holders.....	49,722.09	323,678.08	273,955.99
Cash income.....	200,604.50	1,296,188.33	1,095,583.83

The financial strength and the volume of business of the Prudential are reflected in the following remarkable exhibit:

	Dec. 31, 1891.	Dec. 31, 1896.	Increase in 5 Yrs.
Assets.....	\$6,389,674.37	\$19,541,817.05	\$13,152,142.68
Surplus.....	1,419,057.06	4,034,116.03	2,615,058.97
Income.....	6,703,673.43	16,158,445.53	9,454,772.10
Insurance in force.....	157,591,342.00	170,451,481.00	12,860,139.00
Interest earnings.....	290,348.97	825,801.85	535,452.88

The company has taken a stronger hold of public confidence by increasing the benefits it offers its policy holders. Its new policy provides for additional benefits after five years, cash dividends after fifteen years, cash surrender values after twenty years, and paid up insurance after three years. Industrial insurance thus takes the longest stride in its history. Policy holders are heretofore to enjoy profit sharing, and the Prudential has even adopted an *ex post facto* rule so that old policy holders who have been in the company the requisite time will receive the same benefits as though they had been provided for in their policies. Any company which so liberally and impartially cares for its policy holders without insisting upon the strict letter of the contract will never lack popularity. While "the Gibraltar" has the strength of Gibraltar "it will also become a great deal larger, just as it is now a great deal more useful. Mr. John F. Dryden's name will be remembered as long as life insurance continues to be the universal need of suffering humanity.

"ABANDONMENT" IN FIRE INSURANCE.

A novelty in the way of insurance legislation has been proposed in a bill introduced in the Illinois Legislature, the provisions of which we find published in the *Weekly Underwriter*. The bill provides

That when partial loss, damage or destruction occurs the assured may, if he so elects, surrender the property so damaged or destroyed to the insurer or insurers, and upon such surrender the amount of the insurance written in such policy or policies shall be taken to be the true value of the property so damaged or destroyed, and the true amount of loss and measure of damages when so damaged or destroyed, and it shall be the duty of the insurer or insurers, within sixty days after written notice of such sur-

surrender, to remove the property so surrendered and leave the premises in a clean and orderly condition.

The author of that bill may be a seafaring man, although not a far-seeing one, and hooked his idea from something which he thinks resembles it in marine insurance. Abandonment will not work in fire insurance, at least not to the extent of permitting the owner of insured property, nominally worth, say, a million, to dump it upon the insurer if he happens to have a hundred dollar fire on the premises. Imagine an insurance company carting off a forty-story Chicago skyscraper, and "leaving the premises in a clean and orderly condition," all in the space of sixty days! The father of that scheme ought to be trampled!

BIG RATES, BUT ONLY ON PAPER.

In some of the advertisements of the New York Life particulars are given relative to the bonds owned by it, showing the rate of interest, the par value of each bond, and the total market value, as of December 31 last. This exhibit shows that the company owns bonds to the amount of \$2,081,600 that earn 3 per cent., \$3,640,800 earn 3½ per cent., \$14,079,830 at 4 per cent., \$5,371,408 at 4½ per cent., \$36,700,185 at 5 per cent., \$1,023,530 at 6 per cent., \$17,751,074 at 7 per cent., and \$177,920 at 8 per cent. It will be seen that less than \$6,000,000 earn a rate of interest below the legal requirements.—*The Insurance Press.*

There is a mistake in that calculation. The advertisements state the market value of the bonds on December 31, 1896, but not the cost price to the company, so it is not possible to tell from the advertisements how much of the money of the company invested in bonds earns a rate of interest below the legal requirements, or what rate any of it earns. However, it is plain enough that on government bonds paying 5 per cent. interest on the par value, and now commanding a premium of 12 per cent., but redeemable at par in seven years, the New York Life is not earning 4 per cent. on its investment, nor within 1 per cent. of that rate. It has \$7,000,000 of those bonds. It also has \$2,600,000 4 per cent. bonds, redeemable in 28 years, on which the premium is 18 per cent. It would be difficult to show 3 per cent. earned on that investment. Six and seven per cent. bonds, commanding a premium of 80 to nearly 40 per cent., of which the New York Life owns considerable amounts, are not yielding 6 to 7 per cent. on the investment. If they did the reserve basis would never have been reduced to 4 per cent., nor a reduction to 3½ or 3 per cent. now be agitated.

THE GRANITE STATE.

The Granite State Fire Insurance Company does credit to the name it bears, and has "the rocks" for every dollar of obligations it assumes. The company has just entered upon its twelfth year, which is not very old, and with both youth and vigor on its side, increased success may be confidently expected. Last year the company added \$20,690 to its assets and \$11,167 to its net surplus, making the former \$136,529, nearly all of it in good income producing property and securities, or cold cash. The net surplus is \$41,548, which, with the \$200,000 capital stock, gives policy holders \$241,548 security, over and above the reserve for re-insurance. The latter is \$161,510, so the Granite State could re-insure all its risks two and a half times over. In its home state the company is making splendid headway. Its premiums in New Hampshire last year were \$10,160 larger than in the previous year. The company reports its loss ratio last year at 55 per cent., and its expense ratio at 30 per cent., which compares with 64 and 33 per cent. respectively in the previous year. The loss ratio has not been as small since 1887, except in 1891, while the expense ratio was the smallest since 1889.

AMERICAN SURETY COMPANY.

The financial statement of the American Surety Company of December 31, 1896, shows that the resources of the company have advanced another long stride. The total has reached \$5,127,803, comparing with \$4,875,927 a year ago, an increase of \$252,876 for the year. The resources are: Real estate and improvements, \$3,270,778.88; United States registered bonds, \$144,000; other bonds and stocks, \$596,096.25; first liens and mortgages owned, \$313,909.99; mortgage loans and bills receivable, \$151,419.84; accrued interest, dividends and rents, \$68,877.26; cash in banks and offices, \$121,142.78; premiums in course of collection, \$146,578.82.

The liabilities on December 31, were: capital stock, \$2,500,000; surplus, \$1,000,000; premium reserve requirement, \$907,848.98; claims in process of adjustment, \$298,978.55; collateral and trust funds and accounts payable, \$22,369.28; undivided profits, \$693,606.95. The undivided profits have increased \$115,000 as compared with a year ago, the capital and surplus remaining unchanged. The premium reserve requirement has increased \$39,000. The company was organized in April, 1884, on the eve of one of the most acute panics that has visited New York financial circles in many years. During fully one-half of the period since it began business, depression has prevailed throughout the land, but the American Surety has prospered. Good management is the secret of its success.

TUBERCULOSIS INFECTIOUS.

The Board of Health of this city has officially declared tuberculosis to be infectious and has promulgated the following as a new provision in the sanitary code:

That pulmonary tuberculosis is hereby declared to be an infectious and communicable disease, dangerous to the public health. It shall be the duty of every physician in this city to report to the Sanitary Bureau in writing the name, age, sex, occupation, and address of every person having such disease who has been attended or who has come under the observation of such physician for the first time within one week of such time. It shall also be the duty of the commissioners or managers or the principal, superintendent or physician of each and every public or private institution or dispensary in this city to report to the Sanitary Bureau in writing, or to cause such report to be made by some proper and competent person, the name, age, sex, occupation and last address of every person afflicted with this disease who is in their care or who has come under their observation within one week of such time. It shall be the duty of every person sick with this disease and of every person in attendance upon any one sick with this disease, and of the authorities of public and private institutions or dispensaries, to observe and enforce all the sanitary rules and regulations of the Board of Health for preventing the spread of pulmonary tuberculosis.

If the Board of Health will follow this up by instructing physicians how to tell a case of consumption before the last vestige of a lung has departed, it may save some lives and improve the tone of the profession. Some doctors cannot distinguish consumption from whooping-cough in the absence of hemorrhage in the case or "whoop" in the other. Does the department propose to quarantine consumptives or to establish a pest house for them? There are great possibilities of hardship and of menace to human life in the black lining of consumption. Only a few years ago it was demonstrated that we are not many removes from a state of barbarism when fears of a contagion seize hold of the public mind. In times of excitement health rules, sometimes aided by a fool doctor, have caused the death of many a person whose days might have been long in the land. To be suspected of having an infectious disease in such times is worse than to have it. A sane man incarcerated in a madhouse suffers worse tortures than the maniac can know. If the analgesia against consumption is to lead to the dragging of suspected patients from their homes, the conveying of them to pest houses and the severance of all communication with their friends and relatives, it were better the first step had never been taken.

THE BROOKLYN LIFE INSURANCE COMPANY.

In many states in recent years days of grace on commercial paper have been abolished by law. Without any legislative interference, but purely of its own volition, the Brooklyn Life Insurance Company long ago decided to consider a claim due when it accrued, and to make payment just as promptly as if the claim were its own note of hand. As a sign of maturity when presented, so a policy in the Brooklyn Life matures when death occurs, but the company does not always wait for the claim to be presented. Upon report of death it proceeds to get proofs and make payment at the earliest possible moment. How well the company carries out its purpose of paying promptly may be judged from the fact that at twelve o'clock midnight on December 31 it did not have a single death claim unpaid. For every death that had been reported, even on the last day of the year, the company had paid every dollar of liability. The Brooklyn Life was among the first companies to abandon the sixty to ninety day clause in the policies, and its experience shows that it was wise in taking the step.

To the Brooklyn Life also is due the credit of being one of the first to introduce the plan of lending money to the policy holders on their policies. There is nothing new under the sun except insurance, perhaps, but some of the most important features of insurance supposed to be new are old-time inventions of that company. But the Brooklyn Life is as modest as it is solid and progressive.

PACIFIC COAST WRECKAGE.

The *Cost Review* favors us with a copy of its "tabular statement of Pacific Coast fire insurance business for the year ended December 31, 1896." It is full of morgue statistics which defy the mathematical dogma that while a profit may exceed 100 per cent, a loss cannot. Six companies lost from 103 to 409 per cent of their premiums on their California business, and three companies lost from 110 to 409 per cent. on their total Pacific Coast business. More than two-thirds of the companies had a loss ratio of more than 60 per cent. in California. It is a noteworthy fact that the foreign companies doing business in that state fared even worse than their American rivals when aggregates are taken into consideration. The following table shows the annual results for the past six years:

	CALIFORNIA BUSINESS.		Losses Paid.	Ratio Losses to Premiums.
	Risks Written.	Premiums Received.		
1896.....	\$335,050,560	\$3,800,544	\$4,577,483	66.5
1895.....	336,142,069	4,794,574	2,850,572	53.4
1894.....	337,826,194	6,327,060	2,815,590	44.4
1893.....	358,435,091	6,782,151	2,668,721	39.1
1892.....	308,023,480	7,007,460	2,777,908	39.9
1891.....	378,549,165	6,069,998	2,408,156	37.1
TOTAL PACIFIC COAST BUSINESS.				
1896.....	\$22,637,809	7,613,178	4,248,729	55.5
1895.....	\$21,099,019	8,009,300	4,611,185	53.4
1894.....	\$28,402,113	10,474,057	5,108,127	49.7
1893.....	\$32,004,762	11,417,818	4,590,915	43.9
1892.....	\$21,981,052	12,146,598	5,348,252	44.1
1891.....	\$28,409,385	11,651,703	4,395,884	38.9

The loss ratio in California has increased steadily from 37.1 per cent. in 1891 to 66.5 per cent. in 1896, and on the Pacific Coast from 36.9 per cent. to 55.5 per cent. in the same time. An examination of the totals for the Pacific Coast, which include those for California, will disclose some interesting facts. In 1892 the companies wrote nearly \$613,000,000 of business

on the Pacific Coast and received \$12,146,000 of premiums. In 1896 they wrote less than \$533,000,000 of business and received only \$7,653,000 of premiums. The premium receipts have fallen off \$4,493,000 as compared with 1895, a loss caused by the sacrifice of premium rates and not by a decrease in the aggregate value of property insurable or insured. It is true that the returns show a decrease in risks written last year of \$90,000,000 when compared with 1895, but that result naturally followed the wholesale writing of three-year and longer term insurance at absurdly low premiums, so low in some cases as to put the one dollar consideration of legal fiction to the blush. The companies for well on to three years have been practically giving insurance away, not for a single year but for several years, and even with restored rates the companies will suffer for some time to come because they have discontinued their business, and having eaten their cake must be content to go without it.

The "fire fiend" has been kinder to underwriters than they have been to themselves, and the losses paid were the smallest for any year since 1888. The losses incurred were \$92,000 less than the losses paid. The companies had about \$3,400,000 left for expenses and profits after taking care of their losses last year. This compares with \$3,900,000 in 1895, \$5,500,000 in 1894, \$6,500,000 in 1893, \$6,800,000 in 1892 and \$7,300,000 in 1891. Except in 1895, when a loss ratio of 83 per cent. left an excess of premiums over loss payments of only \$1,600,000, there has been no year making as unfavorable a showing as 1896 since 1883. Many a moral has been tagged to the Pacific Coast in the last two years. It is bedecked with them, and we shall not add any new decorations.

DEATHS PEOPLE (DON'T) DIE.

A scientist says that only 900 persons in 1,000,000, according to medical authority, die from old age, while 1,200 succumb to pest, 18,400 to measles, 2,700 to diphtheria, 7,000 to erysipelas, 7,000 to consumption, 48,000 to scarlet fever, 25,000 to whooping cough, 30,000 to typhoid and typhus, and 7,000 to rheumatism. The averages vary according to locality, but these are considered accurate as regards the population of the globe as a whole.—*Boston Transcript*.

That disposes of 147,700, leaving \$52,300 of the 1,000,000 who either do not die at all or die of something else. The record is too imperfect to furnish a correct idea of the most popular route out of the world.

THE PALATINE INSURANCE COMPANY.

The annual statement of the United States branch of the Palatine Insurance Company for 1896 shows a good year's business, with the balance on the right side of the account. The premiums received were \$2,184,828; losses incurred, \$1,376,090; expenses, \$792,361; balance, \$116,377. The gross assets on December 31 were \$2,851,544, an increase of \$15,000 for the year. The net surplus was \$929,425, an increase of \$361,105, or about 65 per cent. The reserve for unearned premiums at the close of the year was \$1,557,186. The statement is a very flattering one indeed, and the company is to be congratulated.

THE TRAVELERS ELECTION.

At the adjourned annual meeting of the Travelers Insurance Company which was held on January 27, the following directors were elected: Jas. G. Batterson, James L. Howard, Hugh Harrison, George M. Pullman, Nathaniel Shipman, Henry P. Stearns, William B. Clark, Austin C. Dunham, Pliny Jewell, Geo. Roberts, C. C. Beach, L. Luther Spencer, Frederick R. Foster, Albert A. Pope, George Ellis, Sylvester C. Dunham, James Bolter. James G. Batterson was re-elected President. No selection for Vice-President has yet been made. Actuary George Ellis, whose name was mentioned for that position, was elected Secretary, while Assistant Secretary John E. Morris retains his old position.

ACKNOWLEDGMENTS.

We are indebted to the Standard Life and Accident Insurance Company for two copies of "Our Diary Memorandum and Cash Account" for 1897. This handsome little pocket diary is so useful that every year there is an active inquiry for it from every one who has ever had the good fortune to possess one. We shall make good use of ours.

Rain or shine, hot or cold, in all weathers and at all times, it is a good thing: the thermometer published by the Nederland Life. We are obliged for our copy, and up to the present time we have found it truthful, honest and trustworthy, as everything which comes forth from that straightforward company is bound to be.

"A PLEASING SIGHT."

Upon the last page of *THE RECORD* will be found the report of the New York Life Insurance Company for the year 1896. It is a pleasing sight!—*The Insurance Record*.

VICE-PRESIDENT LOUIS FITZGERALD.

Gen. Louis Fitzgerald, president of the Mercantile Trust Company and prominently identified with the most important financial interests of this city, has been elected second vice-president of the Equitable Life Assurance Society. General Fitzgerald has been in the board of directors for a number of years.

OBSERVATIONS.

Sixteen years ago Mr. Platt said to Channey M. Dewey, "I will support him" (President Garfield). Mr. Platt did not support President Garfield, but got in a fight over the distribution of patronage and resigned. And Mr. Dewey now quotes the incident as illustrative of Mr. Platt's veracity. Channey, you're a peach.

Conductor: "Did I get your fare, sir?"

Passenger: "You must have. You didn't ring it up for the company."—*Turn Topics*.

A man recently drank a pint of yeast in mistake for butter-milk. He rose three hours earlier than usual next morning.—*Tid-Bits*.

Representative Hartmann of Montana proposed an amendment to the Indian Appropriations bill while it was up in the House for discussion, which appropriated a thousand million dollars "for the education, civilization and Christianization of the Seeley Indians on Manhattan Island." Some of the money might be spent on the New York Sun, which claims that Dr. Parkhurst was responsible for the Seeley dinner.

Mr. Edward Newman, an insurance man, has been appointed Assistant Secretary of State, and will be in charge of the Louisiana Insurance Department.

Mr. Mann: "Carrie, I have had my life insured for \$10,000 to-day."

Mrs. Mann: "How good of you? Now, there's nothing to prevent our taking that trip to Europe next summer, is there? Our expenses won't make much of a hole in so much money as that."—*Boston Transcript*.

"Is the sail the only thing that guidee a ship?" asked the green passenger.

"No," said the mate, "there are rudders."—*Indianapolis Journal*.

The *Bulletin* of Montreal will accept our best wishes for its prosperity during the new year and its successors. Its handsome card expressing its good will and wishes was duly received and appreciated. Many thanks.

"Do away with perversion of insurance interests entirely, so far as intervention by the State is concerned. Let the business be freely conducted by all who wish, holding the managers to a strict accountability under the law for the proper execution of the trusts they assume."—*Insurance Record*.

"Them's our sentiments," but catch the politicians abolishing offices. Their business is to create offices so as to fill them and themselves.

We always believe in rendering unto Caesar, so we make haste to say at once that Mr. Biff Hale, the Chicago correspondent of the *Dramatic Mirror*, is responsible for this one:

First Hebrew: "Congratulate you, Samuel. I hear you was burnt out last Wednesday."

Second Hebrew: "No, Ike; not last Vensday—next Tuesday."—*New York Sun*.

The New York *Herald's* latest sensation is "Premature Burial." The terrible odors that emanate daily from the press of this city indicate that the interment of some newspaper proprietors has been too long delayed. The *Herald* shows an inclination once in a while to get into the morgue.

The arson cases in the Brooklyn courts have brought to the front such names as Schoenholz, Farris, Steinberg, Vaughan, Lederer, Krockhiser, Kistenthaler, Danziger, et al. Not much Anglo-Saxon in that collection.

"Prisoner at the bar," said his lordship solemnly, having donned the black cap, "you will shortly have to appear before another, and, perhaps, a better judge."—*Household Words*.

From a dual obituary notice in *The Chronicle*:

"One was a Christian gentleman, who lived as he believed. The other—"

Manager McCormick of the Broadway gave his cook passes to see the Irish opera "Shamus O'Brien." One of the principal features in the plot is the two guinea reward which the Government has placed upon the head of *Shamus*. Next morning the cook came to the manager with an injured air.

"I thought you said that was an Irish opera, Mr. McCormick?"

"But it is," began the manager.

"Oh, excuse me, no, sir. Some of them speaks wíd an Irish brogue, but the opera itself is an Eytalian. Shure, ain't they always talking about a hundred guineys."—*New York Sun*.

Governor Culberson of Texas is not all fool, neither is his message all nonsense. On some points he is decidedly wrong, and we find that a good many people who think they know all about insurance are not in a position to cast any reflections—except their own—upon the Governor. His remarks on extravagance were too true in some particulars, hence much of the abuse fired at him.

A theological student having the protection of an accident policy went out hunting and came back minus a hand. The policy was good and he took out another, and another day went hunting again and came back sans two hands. He collected one policy and is suing on another, and we understand is also a defendant in an action for forgery. If he is spared to continue his performances he may get into the accident companies with both feet yet.

The London & Lancashire Fire Insurance Company of Liverpool and the Norwalk Fire Insurance Company of Norwalk have arranged to issue joint policies under the name of the "English-American Underwriters." They will be ready to begin about February 1, and will establish agencies at all the principal cities and towns in the United States.

Cadger: "Will you give me a few coppers for a bed, sir?"

Isaac Moss: "Cerdnly, mine frendt. Vere is der bed?"—*Till Bitt*.

"So you are looking for a situation?" said the lady at the door.

"Yes'm," said the tramp, touching his hat.

"What place did you last fill?"

"Me stomach, ma'am," with another touch of the hat.—*Funkers Statesman*.

The successor of the late George T. Anthony, as Kansas Superintendent of Insurance, is Webb McCall. If he finds favor in the eyes of the governor who appointed him, insurance companies will catch it if they don't watch out.

An insurance company—even a mutual—with a surplus of \$558 and total assets of only \$437 must be the marvel of the age, but we are told by a contemporary that it exists and has existed forty-two years. There have been companies which reported surpluses of greater or less bulk which afterwards turned out not to be in the assets at all, but it is fair to assume that the company referred to is not that kind. Is it possible that the surplus is \$5.58? If so, a material point was overlooked.

Her mother: "You assume a grave responsibility when you marry my daughter. Remember she was brought up in the lap of luxury."

Her Adoree: "Oh, she's pretty well used to my lap now."—*Truth*.

Almost as mean was the fellow who went into a saloon and called for a half pint of whiskey, at the same time laying down a dollar. When he got the bottle in his hands, he asked: "What's it worth?" "Twenty-five cents," was the answer. "Ain't you got any fifteen-cent whiskey?" "Yes," said the bartender, "hut it isn't good." "It'll do," said the mean man: "gi' me that. It's just for my wife. She's sick."—*Owensboro Press*.

The *Insurance Post* makes remarks about the National Life Association of Hartford, because a building in Park Row, New York, owned by it, is alleged to be out of plumb. And only the other day the press of the country published the report that nearly all the buildings in Chicago were out of plumb, without drawing forth any reflections upon the moral or mental perpendicularity of Chicago people.

THE PALATINE (INSURANCE CO. Limited.)

OF MANCHESTER, ENGLAND.

J. N. LANE, - - General Manager.

Statement of United States Branch, Jan. 1, 1897.

Assets.

Stocks and bonds, par value, \$2,000,000	Market value, \$2,000,000
Cash in banks	10,000 00
Cash due by agents and companies	10,000 00
Current deposit cash certificates	50,000 00
Total assets	\$2,170,000 00

Liabilities.

Unpaid losses	\$20,000 00
Reserve for unexpired premiums	1,500,000 00
Commission, brokerage, return premiums, etc.	10,000 00
Total liabilities	\$1,530,000 00
Net surplus	\$640,000 00
Premiums written in 1896	\$7,000 00
Increase in net surplus	\$11,100 00

United States Trustees:

Hon. ARTHUR GIBBS, - - - - - Hon. CHARLES M. DEWEY.

Local Board of Directors:

Gen. CHARLES B. ALEXANDER, Chairman. ROBERT W. STUART.

UNITED STATES MANAGEMENT,**New York Office, - 21 NASSAU STREET,**

EQUITABLE BUILDING.

WILLIAM BELL and WILLIAM WOOD, Joint Managers.

WILLIAM M. BALLARD, Branch Secretary.

WESTERN DEPARTMENT—Geo. M. Foster, Mgr., 205 LaCalle St., Chicago.

PACIFIC COAST DEPARTMENT—Chas. A. Leno, Mgr., 430 California St., San Francisco.

SOUTHERN DEPARTMENT—Finley & Javiera, Mgrs., 208 Camp St., New Orleans.

NEDERLAND

LIFE INSURANCE CO. Limited,

Established 1858, Amsterdam, Holland.

United States Branch, 874 Broadway, New York City.

The Company's New York Office opened Oct. 2, 1895.

The Assets of the Home Office in Holland are an additional guarantee to the Company's Policy holders in the United States.

Board of Trustees.JOHN CRISBY BROWN JOHN D. KIRLEY ARTHUR FRENCH
JAMES BROWN POTTER CHARLES E. WHITEHEAD

CONDENSED ON DECEMBER 31, 1896.

Assets.

United States bonds	\$25,000 00
American Railway bonds and stock	182,000 00
Cash on hand and in banks	60,000 00
Cash due to policy holders	1,000 00
Deferred and uncollected premiums	74,000 00
Loans bearing interest, secured by collateral	10,000 00
Accrued interest	6,000 00
Premium notes	900 00
Total assets	\$257,000 00

Liabilities.

Premium reserves	\$200,000 00
Death claims (in process of adjustment)	25,000 00
Unpaid premiums	1,000 00
All other liabilities	10,000 00
Total liabilities	\$236,000 00

NOTE.—Additional sound assets of \$54,000 00 (not admitted) are NOT included in this statement.

Business for 1896.

Total premiums received during the year	\$400,000 00
Death claims paid	200,000 00
Interest on December 31, 1896, 2 per cent.	1,000 00
Which is in gain over 1895 of 5,000 policies	7,000,000 00

L. I. DUBOURCQ,

President U. S. Branch.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.

Bonds issued for Employes, Administrators, Guardians and in Judicial Proceedings.

W. L. TRIVOLLE, President.

WESLEY D. LITVAK, Vice-President.

Resident Surety, New York.

Wm. A. Wheeler, Henry H. Cook,
Wm. R. Vanderbilt, Wm. R. Kendall,
Cornelius S. Allen, Wm. Lewis,
C. H. Loring, Elton Root,
Isaac H. Rollins, G. L. Tiffany,
Wm. M. Johnston, G. M. Edgar,
Wm. Nelson Cromwell, Wm. A. Nash,
Stanley M. Jepson, Wm. S. Paine,
John E. Beardsley, W. R. Gurney,
J. F. Breckinridge, James A. Hayden,
Geo. F. Victor, John A. McVick,
H. B. Lyman, John A. McVick,
Henry A. Hunt, Andrew Mills,
Wm. L. Treadwell, Jas. Sullivan.

CAPITAL - \$2,500,000.

BONDMEN SUPERSEDED.

Statement, December 31, 1896.

RESOURCES (including capital, \$2,500,000) \$6,125,000 00

LIABILITIES (including reserve, \$47,000 00) \$10,100 00

Assets, - - - - - \$19,541,827.95
Surplus, - - - - - 4,034,116.93

CLAIMS PAID OVER \$26,000,000.

THE Prudential Insurance Co. OF AMERICA.

Home Office, Newark, N. J.

JOHN F. DRYDEN, President.

INDUSTRIAL BRANCH.

Insures whole family, ages 1 to 70. Amounts, \$15 to \$1,000.

Weekly Premiums, 5 cents and upwards, collected at homes of persons insured.

This Branch issued, in 1896, \$129,000,000 New Business.

ORDINARY BRANCH.

Insures Life, Endowment and Attractive Investment Policies. Amounts, \$1,000 to \$50,000.

This Branch issued, in 1896, \$21,000,000 New Business.

SEND FOR SPECIMEN POLICY.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING.
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1834.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,

38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

1850.

1896.

The United States LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty-six years of practical life insurance, which has taught it that the sure way now of success is the adoption of good plans of insurance, and the pursuit of a liberal policy towards both its insured and its agents. These conditions it possesses in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are incontestable after two years. They are non-forfeiting, providing generally for either paid-up policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its course during the past forty-six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
C. F. FRALIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANFORD, Actuary. ARTHUR C. PERRY, Cassier.
JOHN F. MUNN, Manager, Insurance.

FINANCE COMMITTEE.

GEORGE D. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, President of Builders.
E. H. PERKINS, JR., President Importers' and Traders' National Bank.
JAMES R. FLEMING, Cashier.

SUBSCRIBE FOR

The Insurance Observer,
\$2.00 a Year.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN,

General Manager, London.

GEORGE MURDOCK ENDICOTT,

Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 51 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLCOFF, President Central Trust Co., New York.
ERNEST THALHORN, of Lehnberg, Thalmann & Co., Bankers, New York
WILLIAM ALLEN BUTLER, of Butler, Notman, Jolliffe & Myrdal, Counselors at Law, New York.

F. E. BAKER, Manager.

AD. DORNMEYER, Asst. Manager.

THE Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

55 Pine Street, New York.

General Manager, - - - - - DIGBY JOHNSON.

Assets, - - - - - January 1, 1896. - \$2,807,886.04
Liabilities, - - - - - 1,387,814.70
Net Surplus, - - - - - \$1,420,071.34

Trustees in the United States.

DONALD MACKEY, Esq., of Cornwall & Co.
CORNELIUS S. BLISS, Esq., of Bliss, Fabran & Co.
H. J. FAIRCHILD, Esq., of The H. B. Claflin Co.

EDWARD LITCHFIELD, Manager New York Office.

H. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserve for Insurance in force	4,101,096.19
Net surplus	2,000,000.13
Policyholders' surplus	2,000,000.13
Gross assets	7,510,000.32

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary. CYRUS PECK, Treasurer.
R. J. TAYLOR, Manager Loan Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.,
Western Department. BROADWAY BUILDING, CHICAGO, ILLA.

RESPONSIBLE AGENTS WANTED.

Bankers Life Insurance Co.

OF THE CITY OF NEW YORK.

RICHARD MORGAN, - - - - - PRESIDENT.

ADVISORY BOARD.

J. EDWARD SIMMONS, President Fourth National Bank, New York.
CHAR. H. FANCHER, President First National Bank, New York.
STEPHEN BAKER, President Bank of the Manhattan Co., New York.
GREENLEAF S. BAKER, Pres. Bank of N. Y. National Building Assoc'n, N. Y.
A. S. HENRY, Pres. Third Nat. Bank, N. Y., late Comp. of Currency, U. S. A.
Policies issued year 1895..... \$100,000
Policies issued year 1896..... 1,800,700
Policies issued year 1897..... 6,811,500
Percentage of increase year 1896 over year 1895, 186 per cent.
Good agents wanted for territory in States of Wisconsin, Michigan, Minnesota, Indiana and Iowa. Apply to
R. F. TOWNLEY, General Manager, 128-130 Broadway, New York City.

BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINSON, President and Managing Director. RUDWELL A. CONNOR, Auditors.

BRANCH OFFICES.

New York—131 Broadway, B. J. Tompkins, Secretary.
Boston—41 Central Street, Geo. W. Grosvenor, Attorney.
Chicago—Room 408, The Merchants' Bldg., J. E. Travis, Secretary and Attorney.
Philadelphia—407 Mutual Life Bldg., A. F. Seaton, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1862.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets, - - - - -	\$232,141.03
Liabilities, - - - - -	189,778.24
Surplus, - - - - -	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.

ASSETS.....	\$3,511,100.01
SURPLUS.....	940,170.00
LOSSES PAID.....	7,484,850.86

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust.
Personal Accident, Plate Glass, Robber, Elevator,
Employers', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. REWARD, President.
ROBERT J. WILLIAMS, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.



London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,

NEW YORK.

A. G. McILWAINE, Jr.,

Manager.



CALEDONIAN INSURANCE CO.

OF SCOTLAND.

Founded 1805.

"THE OLDEST SCOTTISH INSURANCE OFFICE."

United States Head Office, 27-29 FINE ST., N. Y. CITY.

STATEMENT, JANUARY 1st 1897.

Assets, - - - - -	\$2,101,188
Liabilities, - - - - -	1,178,891
Net Surplus in the United States, -	\$990,522

CHARLES H. FORT, U. S. Manager. N. A. McNEIL, Assistant U. S. Manager.

THE FRANK A. COLLEY

INSURANCE AGENCY,

24 Central Street, Boston, Mass.

(LONG DISTANCE TELEPHONE 124.)

Insurance to any amount on property located in any portion of the United States or Canada written and placed at equitable rates to companies and associations that will bear the fullest investigation. Correspondence solicited.

QUEEN

Ins. Co. of America,
NEW YORK.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 FINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. PUNCELL, Assistant Manager.

A. M. THORNTON, Secretary.

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1896.

Capital stock.....	\$200,000.00
Unadjusted and unpaid losses.....	118,000.00
Commission and other liabilities.....	24,754.94
Net surplus.....	57,245.06

ANDREW J. ARMSTRONG, Sec. GEORGE S. PORTER, Pres.

J. JAY NEWELL, Sec. Local Dept.

HENRY ADAMS, Jr., Vice-Pres.

CLINTON WEEKS & CO., Gen'l Agts., N. Y. Life Bldg., Chicago.

GERMANIA FIRE INSURANCE CO., 62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1896.

Cash capital.....	\$1,000,000.00
Reserve for unadjusted premiums.....	1,264,205.00
Reserve for losses and other claims.....	152,242.00
Net surplus.....	1,203,957.00

Total assets.....\$2,715,545.00

HUGO SCHUMANN, President.

FR. VON BERNUTH, Vice-Pres. GEO. B. EDWARDS, 2d Vice-Pres.
CHAS. RUTKHAUER, Secretary. GUSTAV KEHR, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

HON. GEORGE A. COX, J. J. KENNY,
President. Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - -	\$1,636,689.35
Surplus in United States, - -	547,731.08

HANOVER FIRE INSURANCE CO. Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.

Assets in United States, - - - \$1,520,526.68
Not Surplus - - - 268,350.47

Writing Large Lines on Desirable Risks.
Applications for Agencies or Information should be addressed
For Eastern and Middle States:
WILLIAM BELL, WILLIAM WOOD, JOHN MANASSA,
WILLIAM H. HALLAND, Finance Secretary.
21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION ASSURANCE CO., (LIMITED), OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?
SUBJECT TO THE
INVAIUALE MAINE NON FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS: UNION Incorporated 1866.
Term Insurance
Mutual MUTUAL Reliable
Life LIFE Agents
Always
Wanted.

FRED E. RICHARDS, President. PORTLAND, MAINE.
ARTHUR L. BATES, Vice-Pres.
EDWARD D. ROCKFIELD, Sup't, 110 American Trust Building,
Address either 126 Nassau Street, N. Y. City.
[THEODORE CHASE, Sup't., 21 Adams Street, Chicago, Ill.]

NEDERLAND Life Insurance Company (Limited), OF AMSTERDAM, HOLLAND. Established 1858.

SPECIAL FEATURE: Combination Term Policies.
Low Rates. Ample Security.
874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.
JOHN CHERRY BROWN, of Messrs. Brown, Bosc & Co., Bankers.
ALBERT T. FRENCH, Vice-President of the Manhattan Trust Co.
JOHN D. KIPLEY, Merchant.
JAMES E. POTTER, Merchant.
CHARLES E. WHITEHEAD, of Messrs. Whitehead, Dexter & Osborn, Coun-
sellors at Law.



OF NEW YORK.

The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,

256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE Metropolitan Plate Glass Insurance Company

OF NEW YORK.

Organized 1874.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1906.

Assets, . . .	\$449,906.39
Capital and Net Surplus, . . .	297,885.85

ROBERT M. WOODROW, . . .	President
DAVID D. WHEAT, . . .	V.-President
S. W. BROWN, . . .	Sec'y.
JOSEF F. CAMPBELL, Gen. Agent,	
No. 144 La Salle St.,	CHICAGO.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

ESTABLISHED 1894.

THE UNDERWRITERS POLICY (FIRE)

Issued by local agents in all prominent localities in the United States.

Head Office: 46 Cedar Street, New York.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City

LLOYDS

PLATE GLASS
Insurance Company

Cash Capital
\$250,000.

OF NEW YORK.

Incorporated
1852.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary

THE NEW INDUSTRIAL POLICY

(PROFIT SHARING)

OF THE

HOME OFFICE

PRUDENTIAL

NEWARK, N. J.

JOHN F. DRYDEN, *PRESIDENT*.

MARKS A NEW ERA IN INDUSTRIAL INSURANCE. THE POLICY PROVIDES FOR—

Additional Benefits
After 5 Years.Cash Dividends
After 15 Years.Cash Surrender Values
After 20 Years.Paid-up Insurance
After 3 Years.

The holder of a Policy on which the premium is but 5 cents a week is thus practically on the same level as one who pays a large sum every year.

TO OLD POLICY HOLDERS **THE PRUDENTIAL** HAS VOLUNTARILY MADE CONCESSIONS
by allotting for 1897

Cash Dividends on regular Industrial Policies issued in 1877 and 1882.

Additional Benefits or Mortuary Dividends will be paid during 1897 in case of death occurring under regular Industrial Policies which have been in force five or more full years.

"THE PRUDENTIAL HAS THE STRENGTH OF GIBRALTAR."

Reliable Agents wanted for Industrial Insurance and Ordinary Insurance.

President, HON. FRANK JONES.
Vice Pres. HON. JOHN W. BARBOUR

Secretary, A. F. HOWARD.
Treasurer, J. V. HANCOCK.



Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.

The Guarantors
LIABILITY-INDemnITY-COMPANY.
OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, FEBRUARY 15, 1897.

No. 6.



JUSTIFIABLE DEFENCE.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-WEEKLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - - \$2.00 per annum.

European Subscription (postage free), - - - - 2.50 " "

Published in Advance

Single copies, - - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, Editor

STONE THROWING.

Louis F. Payn, while his appointment as Superintendent was in doubt, was the object of stone throwing galore. Mr. Payn is too shrewd a man not to have discovered ere this the quarry whence came the missiles. He is now in a position to return the compliments, and should he fling a stone or two at the hidden enemy, who will say he was not justified?

THE COST OF NEW BUSINESS.

The question, how to bring the cost of new business down to a proper level, which the *Insurance Record* has brought up for serious discussion, is undoubtedly a pressing one. The reports of the companies for 1896, as have the reports for previous years, show that the evil of excessive commissions is injuring the business of life insurance to its very death. Business that costs more to get than it pays, and goes off the books before it has paid its reckoning, is bad business, and it is certainly bad business to strain nerve and muscle and sinew to get that kind of business.

It is not time to get back to first principles, to abandon the mad tactics for writing business that will not pay written? The way to do it is so plain that he who would walk in it might do so blinded. It lies in the reduction of commissions, not necessarily of compensation of agents. The companies are paying too much for new business, possibly not enough for old. On the latter point we are not absolutely certain, as there is a multiplicity of conflicting testimony as to what different companies do or do not pay for renewals.

We are quite positive, however, in our opinion that commissions on new business are too high—very much too high, in fact. Comparisons between different kinds of work are not always fair and never exact; still, we are inclined to believe that a comparison of the commissions of life insurance agents and of real estate brokers may be made which will not be unjust, and may be useful in the way of suggestion. The usual commission of a real estate agent for the sale of real estate in

this city is 1 per cent. and for out-of-town property is 2 per cent. For negotiating the sale of a \$10,000 piece of property, then, the broker gets from \$100 to \$200. An insurance agent writing an ordinary life policy for \$10,000 will collect a premium of from \$250 to \$300, and get a commission thereon of probably not less than \$150 and perhaps as much as \$150. When we come to consider the great number of policies on which larger premiums are charged and greater commissions are paid, it is evident that the insurance agent has a decided advantage over the real estate broker as to the measure of the value of his services.

We have no desire to reflect upon the ability of the life insurance agent by making the comparison just made. We are aware that it is well nigh a proverb that when a man proves a total failure in everything else he becomes a real estate broker, and usually makes a living at it. In life insurance, on the other hand, there is no safe refuge for business wrecks, although occasionally a bankrupt merchant, dry goods seller, or the like, does get a comfortable berth in an insurance company, and spends the rest of his days in blissful idleness or retelling salacious stories. The life insurance agent, however, must be a man of parts, one able to win his way in almost any line of business he might enter.

On the other hand it is to be noted, that people with lives to insure outnumber the pieces of property that come upon the market. People with a few hundred dollars to pay for insurance outnumber the people with several thousands of dollars for real estate ventures. The life insurance agent can count his \$500,000 of new insurance a year and enjoy an income of from \$7,000 to \$10,000, while the real estate agent who can sell \$500,000 worth of property in a year and get \$5,000 in commissions is considered a bird of exceptionally fine plumage.

If the contention is made that the life insurance agent does not get a larger compensation than his services deserve, then the fault lies in the manner of his compensation. It cannot be denied that the fair measure of the value of his work is what his employer gets out of it. If the company, instead of making a profit, suffers a loss on the business its agents bring to it, there is an absurdity and a fallacy in the claim that his services are worth anything. The insurance companies have not yet discovered the secret of turning a loss into a gain by increasing the quantity sold at less than cost.

If, however, the rate of compensation to the agent is to be maintained, it should be distributed over more than one year. It should be given for keeping business as well as getting it. A commission of 100 per cent., 50 per cent. the first year and 5 per cent. a year for 10 years succeeding on renewals, would be far better for the company than 60 or 75 per cent. on the first year alone. Business would renew better, the company would get a larger number of premiums, and its agents would strive to get a better staying class of business.

There is no doubt at all that any attempt to reduce excessive commissions will meet with opposition. Both strength and courage will be necessary to back up the effort, hence it is to the strongest companies, the giants, to which we must look for the inauguration of the reform if there is to be such a movement. A company which must have new business, get it how it may, cannot undertake it, for it would be swamped in short order. Those companies which are now so large that it makes no difference to them whether they write a new policy or not in the next decade can become the dragon slayer, and having essayed the work they will succeed in it and gain a rich

reward. The giant companies are not only the proper companies to institute the reform, but they are responsible for the condition to be reformed. They have apparently lost sight of the fact that it is the duty of insurance companies to furnish insurance at the lowest possible cost, not to make big records in writing business regardless of expense.

If the companies cannot or will not reduce commissions to fit the cost of new business to its value, there is one other thing to be done. Increase the first year premium so as to make it bear part, if not all, of the expense of getting the business. This is the plan of the fraternal associations, and a just method, for it puts the burden of getting business where it belongs—on the new comers. This plan might not be so easy to carry out in the absence of general unanimity, but it would impress upon the policy holder the fact that he pays the cost in any event, and that excessive commissions are a tax upon his pocket book.

Whatever plan is tried one thing is certain, that the company which first compels a substantial reduction in the cost of getting new business will so improve its financial position that it will win the support of the insuring public, and its business getters will make more money than before by reason of the greater ease in writing business.

IT IS PAYN.

Louis F. Payn has been appointed by the Governor, and confirmed by the Senate, Superintendent of Insurance of the State of New York. It probably has surprised the new Superintendent to discover how quickly the fountains of abuse, which prior to his appointment were playing upon him, have completely dried up. The debased Villain Payn has become the elevated Civilian Payn. It is even understood that some officials of insurance companies who did the deepest digging in the dark to make a grave for "Lou" Payn to fill, were the first and most vociferous in tendering congratulations to "Superintendent" Payn. Well, there was no malice in the method, and the instinct of self-preservation is strong even in soulless corporations.

Mr. Payn may or may not be a good Superintendent; we do not know. Nor can we say that we care very much. A great deal will depend upon the companies themselves. If, as has been alleged before he was appointed, Mr. Payn is to play the bull in the china shop, stamping, smashing and breaking the exquisite treasures collected in the vast corridors of humanity's most noble palace, the career of the Superintendent will have been cut short before his role has been played beyond the first lines. It is outside of the power of any official to destroy the stately edifice of insurance or the vast wealth contained in it.

Superintendent Payn, if he has any idea of making his office a menace to evil doers and a help to right doing, can accomplish very much for which insurance will long be indebted to him. We have no faith in political supervision of any kind of business, but there is an ideal supervision which might plunge us into a millennium if it only were more material and less ideal. There is much that is material about Mr. Payn, and if he can only catch on to a splendid ideal, and apply his material propensities to it, there is a possibility that insurance may be benefited by the administration of Louis F. Payn. We shall wait and watch.

INSURANCE COMPANY OF NORTH AMERICA.

A company whose career began in one century, has extended over nearly another century, and in four years will have entered upon a third century, may be considered a venerable institution. Such is the Insurance Company of North America, born in 1794, still living, and seeming in possession of the fountain of youth which Ponce de Leon sought nearly 400 years ago, but failed to find. It is an honorable record which the Insurance Company of North America has made in the century and five years it has been dealing with the insuring public. It is one of the ancient landmarks of the City of Brotherly Love, and well maintains the ancient fame of that town of good morals and honest methods.

The company is among the great leaders in the business of fire underwriting. Its assets are nearly \$10,000,000, or to be exact, \$9,686,808, which means an increase of \$100,000 last year. The surplus of this company is equal to nearly 80 per cent. of the capital stock and to more than 50 per cent. of its re-insurance reserve. The company can pay \$1.10 for every dollar of liabilities, for it has first its capital of \$3,000,000, next its surplus of \$2,319,773, and finally its reserve of \$4,367,034, all in tangible resources of first-class character, available whenever required. The surplus was increased nearly \$300,000 last year and the re-insurance reserve nearly \$430,000, showing that the company had a good year, not only as regards losses, but also in the matter of getting business. The losses were about \$550,000 less in 1896 than in 1895, and were the smallest since 1891, the total being only \$3,358,310. In magnitude of payments to policy holders the Insurance Company of North America stands without a rival in its particular field. Its record is nearly \$89,000,000 paid for fire and marine losses.

The high esteem in which the company is held not only in its own home State, but everywhere throughout the United States and even across the seas, is evidence that the traditions of the old days of sterling honesty with which Penn was identified have been handed down from generation to generation of managers of the company, with the present management sole inheritor of all the virtues of its predecessors.

STRANGE, IF TRUE.

The *Philadelphia Intelligencer*, edited by Mr. Oriant, has reached us. We have no recollection of ever having seen the paper before, so accept the statement of others that the paper "has been improved" with some surprise.

ÆTNA LIFE INSURANCE COMPANY.

The 47th annual statement of the Ætna Life Insurance Company, published in another column, will give general satisfaction to its numerous policy holders and the friends of the company. Notwithstanding the general depression in business of every description in 1896, the Ætna Life added another remarkable year to its success. By reference to the statement it will be observed that it made large gains in every department. It is a notable feature of the Ætna Life—and, so far as known to us, unparalleled in the history of life insurance—that it has increased its dividends to its policy holders, without interruption, for twenty-five consecutive years. The reputation of the Ætna Life, for safe management and fair dealing, gives it favor with the public at large. Its character is established and its prosperity assured.

INTERSTATE CASUALTY.

The Interstate Casualty has come through the most critical period of any company's existence, the first four years, and now its prospects are exceptionally bright. President George E. Hamlin has very wisely considered the affairs of the company, and at no time has he ever been lacking in courage when the crucial test was applied. The men who build and create great enterprises are entitled to respect, and Mr. Hamlin is winning the regard which comes to successful builders. The company started upon its fifth year with many excellent reasons for expecting very large outpouring of prosperity. Mr. Hamlin has been injecting new blood into the management, and he was fortunate at once in securing Mr. Earle F. Holmes as Secretary. Mr. Holmes was with the Travelers for some time, and was one of its most useful men. He will be invaluable to the Interstate Casualty Company in his present position. Very desirable offices have been engaged by the company in the new building of the National Bank of Commerce, corner of Nassau and Cedar Streets, which it will occupy after May 1 next.

The management is well satisfied with the result of last year's business.

The company wrote \$61,381,458 of insurance in 1896, which compared with \$54,130,118 in 1895, \$39,662,579 in 1894, \$9,523,314 in 1893. The insurance in force at the close of the year was \$28,154,236, a slight falling off from that of a year ago when the amount was \$28,854,570, and in 1893, \$7,954,964. The total income last year was \$110,387.77, while the losses paid amounted to only \$26,599.85, the latter comparing with \$34,055 in 1895. The loss ratio was down to about 25 per cent., against nearly 32 per cent. in 1895. The net assets increased from \$188,419 to \$189,963, and the surplus from \$33,228 to \$37,319. The total reserve liability is \$33,772, while the company holds \$3.68 of assets for every dollar of liabilities. The ratio of assets to insurance in force is exceptionally high. Upon the whole the Interstate has made substantial progress.

MR. JOHN F. DRYDEN'S PUPILS.

In announcing the resignation of Mr. John B. Langer to become Managing Actuary of the New York Life, President John F. Dryden of the Prudential pays a very high compliment to the loyalty, fidelity and faithful service of that gentleman, and one which he well deserved. The Prudential has supplied many companies with valuable men, trained under the eye of the most capable of insurance managers, Mr. John F. Dryden. In his letter, Mr. Dryden thus refers to the matter: "It is interesting to note the number of instances in which other life insurance companies have recruited and reinforced their official staffs from the ranks of the Prudential. Besides a considerable number of subordinate appointments which have been made from among our employees, one person has been drafted from our service to become the President of another institution; another now occupies the important place of Second Vice-President in one of the large and progressive companies; another is the Secretary of one of the old companies; the fourth is the Assistant Actuary of one of the largest companies in the world, and now Mr. Langer goes to join the ranks of another of the "giants." It looks as if service in the Prudential is the pathway to preferment and honor in other companies. This is flattering to the Prudential, and the compliment which it implies is fully appreciated."

INVESTMENT OR INSURANCE, WHICH?

The fool saith in his heart, there is no insurance that I care for; instead of paying my good money to an insurance company for it to use and make profit out of for itself, I will invest my dollars myself and make all the profit for myself. And this conclusion is reached by the easiest road of mathematics. Compound interest is a vexatious and tiresome thing when calculated on scintillating sums in impersonal cases, and merely for the purpose of exercising or educating the mind. But it is the most fascinating of amusements when the calculation involves the building up of rapidly accumulating fortunes even though they are no more substantial than the ethereal fumes which carry us into dreamland out of the material horrors of suffering consciousness.

What mighty fortunes have been created and multiplied and piled up higher and higher by the aid of a far-reaching imagination, a head for figures, and a bit of pencil. The trouble with those fortunes is that they rarely overcome the inertia of the initial point; they die stillborn. But were it a fact that every one knowing of the accretive power of compound interest could and would impress it into his service, and start it upon the work of accumulating a fortune for him, there would still remain the uncertainty of life, or rather the certainty of death, at some time or another, to interfere with his plan; to defeat it entirely, perhaps.

The man who is certain of living until all his plans are executed, and of being successful in all his plans as long as he lives, can afford to insure himself. Having such a dead sure, or rather live sure thing, insurance would be as useless to him as a second palate. But there is no certainty about it. Both life and success are fleeting. No one can tell an hour ahead how long he will live, no one ever died who was not alive only a second before his death. What folly, then, to pin our hopes to self insurance. It is easy to save "so much a year" if your income will stand it, and the saving of a certain sum each year, for a certain number of years, with interest compounded at a certain rate per annum, will undoubtedly produce a certain sum. That plan is just full of certainties, but the one uncertainty of life's duration demolishes and levels to the ground every certainty upon which the edifice of future accomplishment is raised.

Life insurance is the one thing which alone defies the uncertainty of life, which makes it possible for man to build and plan into the very depths of the future, and know that the structure will be reared and the scheme be carried to completion even though death may strike him ere he crosses the threshold of his enterprise. What fools those mortals he who hazard the future happiness, possibly the very lives, of their dependent ones upon the mere chance of their living until they can accomplish what a majority of people never succeed in accomplishing, no matter how long they may live. When it comes to hacking self insurance against life insurance, a compound interest investment against a policy of some sound life insurance company, even the veriest tyro in gambling would see that the predominating odds are in favor of life insurance.

Let us measure the odds. An investment that would pay 6 per cent. interest compounded annually, it will be admitted, would be gilt edged. Precious few investors get any such return, many are glad to get a per cent., but people who purposely and thoughtfully decide to insure themselves are supposed to be, or suppose themselves to be, a little bit smarter than the general run of mankind, and we will assume that they

can get 6 per cent. year in and year out, and compound their interest at the same rate. For about \$20 a year, a man, aged 33 years, can get an ordinary life, non-participating policy for \$1,000. His expectation of life is about 33 years, but he may die in a year or a month or he may live to be 100 years of age, and from an insurance standpoint be dead though he yet liveth. The difference between investing \$20 a year at 6 per cent. compound interest, and carrying a policy for \$1,000, in the event of death in any year is shown in the following comparative table.

End of	Investment \$20 per annum compound interest.	Insurance.	In favor of
1st year.	\$41.20	\$1,000	Insurance \$978.80
2d "	43.68	1,000	" 956.32
3d "	47.50	1,000	" 914.50
4th "	53.74	1,000	" 872.26
5th "	110.90	1,000	" 830.50
6th "	147.32	1,000	" 812.12
7th "	177.04	1,000	" 812.28
8th "	209.82	1,000	" 795.18
9th "	243.62	1,000	" 758.38
10th "	279.44	1,000	" 720.56
11th "	317.40	1,000	" 689.60
12th "	357.04	1,000	" 642.36
13th "	400.30	1,000	" 599.70
14th "	445.52	1,000	" 554.48
15th "	493.46	1,000	" 507.54
16th "	544.26	1,000	" 455.74
17th "	598.12	1,000	" 401.88
18th "	655.20	1,000	" 344.80
19th "	715.72	1,000	" 284.28
20th "	779.86	1,000	" 220.14
21st "	847.84	1,000	" 152.16
22d "	919.02	1,000	" 90.08
23d "	993.32	1,000	" 3.68
24th "	1,077.30	1,000	Investment 77.30
33d "	2,163.08	1,000	" 1,163.08

For twenty-three years the odds are in favor of life insurance should the man die at any time during that period. Should he live 24 years he would have made \$77 by investing his own money and not dying. Should he live 33 years he would make \$1163.68 by not insuring. What manner of man is it, who, with his eyes wide open, would take chances so desperately against him? Who would enter upon any enterprise which he knows must work adversely for 24 years? We have made a comparison which is entirely too favorable for the investment. Had we taken 4 per cent. as the rate of interest, the investment would not overtake the policy of insurance until after the 17th year, and at the end of 33 years there would be only \$377.16 more than the amount of the policy realized. What greater folly then can there be than the vain imagining that a man would better invest his money than insure his life?

PROVIDENT SAVINGS LIFE.

The first annual statement of the Provident Savings Life Assurance Society issued by the new management has just been published. In preparing the statement, President Scott has evidently been moved by the purpose to avoid exaggeration in any particular. The statement shows the affairs and condition of the company on a hard pan basis, and the assumption seems proper that the company is in no worse position than that indicated in the statement. Starting from such a basis it is easy to conceive that with good management the Provident Savings year from now will occupy a very superior position as compared with that of the present. The assets are reported at \$2,093,213 and the surplus at \$600,813. The former shows an increase of about \$83,000, the latter a decrease of nearly \$113,000. The pruning knife was applied to the surplus by Mr. Scott and the effect should be good. The insurance in force is \$80,174,683, about \$1,600,000 less than a year ago.

PENN MUTUAL LIFE.

A liberal company with a liberal policy is a sure winner, and the Penn Mutual Life Insurance Company, with its new cash surrender, paid-up and extension policy, is that kind of a company with that kind of a policy, hence a winner. Last year it wrote 9,680 policies and \$24,417,932 of insurance, and at the close of the year it had \$134,594,870 of insurance outstanding, an increase for the year of nearly \$4,500,000. The number of policies has increased from 51,744 to 54,066. The premium receipts were \$5,552,301, an increase of \$181,000 over 1895, and the total receipts \$6,959,739, an increase of \$219,000. The gross assets have increased from \$27,176,439 to \$29,405,539. There was \$1,946,876 added to the reserve, while the surplus was increased from \$3,180,517 to \$3,594,126. The company has found that the policy referred to above, which it began issuing about a year ago, has been a business getter, and is gaining in popularity every day.

BACK PEDALING IN LIFE INSURANCE.

Is dating back a policy a rebate? is the burning question in Wisconsin. A man 46 years of age, by dating back his policy 4 months, gets his insurance at the rate of premium fixed for age 45. Query, Does he gain any advantage? The premium for age 45 is \$37.42 per thousand, for age 46 \$39.00, difference \$1.58. At age 46 the expectation of life is 24 years. Multiply \$1.58 by 24 equals \$37.92, amount saved in annual premiums. Deduct 4 months' premiums at \$37.42 per annum, \$12.47, leaves \$25.45 gained by the policy holder on each \$1,000 of insurance if he lives out his years of expectancy. If he dies the first year he loses \$10.89, or if he dies any time during the first eight years he loses by the transaction, assuming, of course, that he does actually pay for the four months' insurance which he didn't have. If he pays only two-thirds of a year's premiums for the first year he is, of course, a goner from start to finish. But the question is, "Is it rebating?"

GREENWICH INSURANCE CO.

"This company has been uninterruptedly and successfully in business sixty-two years." That is a good deal to say, but the Greenwich, organized in 1834, is justified in the assertion. The sixty-second year of this company's experience compares very favorably with its immediate predecessors. The assets are \$1,379,216, an increase of \$6,000. The gain in surplus is considerably more, the total being \$284,612 as compared with \$201,098 a year ago. This, with \$200,000 capital, gives policy holders an increased guaranty of more than \$400,000 in addition to the reserve of \$689,916 already provided for. That is a strong showing.

NEDERLAND LIFE.

The Nederland Life Insurance distanced a good many of its rivals in getting business in the United States last year. Whether aggregates or percentages are considered, the United States branch of this company makes an exceptionally favorable showing for 1895. The insurance in force increased from \$18,350,000 to \$25,475,361, or about 40 per cent., and the number of policy holders from 5,343 to 7,948, or about 50 per cent. The year's premiums were \$429,423, an increase over 1895 of \$152,000, or 55 per cent. The net assets increased from \$515,122 to \$617,230.

UNITED FIREMEN'S OF PHILADELPHIA.

Philadelphia boasts of many old and solid as well as famous financial institutions, and among them none are regarded with more favor than the company presided over by Col. R. B. Beath, the United Firemen's. Col. Beath is a president who presides, a head who thinks, a manager who manages. Any one familiar with the inner workings of this company is bound to be impressed with the extent to which the personality of the president enters into the vast details of the company's business. The company began business just as the country was plunged into a civil war, and for thirty-six years it has continued in business, meeting all its obligations in the most liberal spirit. Each year shows a healthy growth, and generally a balance on the right side of the account. The assets of the company are getting pretty close to 1½ millions, only \$74,000 short of that figure now, and as they increased \$57,391 last year, the close of this year may bring the round figured total in sight.

There has not been a year in the past ten years in which the company has not had more assets at the close than at the beginning, and that record may be extended some years further back. The surplus increased \$43,477 last year, and is now \$402,568, while on December 31, 1893, it was only \$76,878. The re-insurance reserve is \$883,209, an increase of \$9,868 for the year, which is just a trifle larger than the increase in 1895. Ten years ago the reserve was less than \$500,000.

BURGLARY INSURANCE.

Burglary insurance has not passed the experimental stage yet, and what it will cost to find out all about it is as much of an enigma as the paternal problem of Lord Dundreary. The *London Insurance Observer* gives some of the results of the experience of a company "principally confining its operations to burglary insurance," which has been in operation five years. It is the Goldsmiths and General Burglary Insurance Company, and last year its net premiums were about \$69,000, while its losses were only about \$34,000, less than 50 per cent. of the premiums, and its expenses were \$26,000, less than 39 per cent. In the five years it received \$246,000 in premiums and paid \$124,000 for losses, a trifle more than 50 per cent., while the expenses, including those attendant upon the organizing of the company, were about \$110,000, or 45 per cent. of the premium income. The company has not made enormous profits, but the balance is on the right side. It would have been possible, with a little bad luck and a little worse management, however, to have put the balance on the wrong side. What the American experience will be future years must determine.

BRITISH AMERICA ASSURANCE CO.

The statement of the United States branch of the British America Assurance Company shows that its affairs are still managed along the well-known conservative lines which are the safeguards of Canadian financial institutions. This company continues to write about \$100,000,000 of business a year, has a revenue of about \$100,000 a month, pays yearly fire losses between \$700,000 and \$800,000, and steadily adds to its assets and surplus. The former increased about \$11,500 last year, and are now \$1,191,711; the surplus increased \$58,000, and is now \$158,405. The income last year was \$1,148,866, and the losses paid aggregated about \$740,000. Vice-President J. J. Kenny has reason to be proud of the United States branch; it is a feeder, not a sucker.

JUDICIAL INTERPRETATION OF INSURANCE CONTRACTS.

That litigants rely upon a bias in the minds of judges and juries detrimental to insurance companies seems to be the only explanation that can be offered for many of the suits brought upon insurance contracts. Ordinary contracts between private individuals are usually construed according to their strict terms, and where one party agrees to do a certain thing it is not usual for the other party to attempt by due process of law to compel him to do something else. With insurance contracts the rule is quite different, and whether it be life, fire, accident, marine, or any other form of insurance, the courts are frequently solicited to compel underwriters to perform some condition which not only is not contemplated by the contract but very often is expressly stipulated in the agreement not to be a part of the contract at all.

A case decided a few days ago by Justice McAdam of the New York Supreme Court in this city is illustrative of this point. The owner of the tug "James D. Nicol" had insured for \$5,000. The policy of insurance contained a clause declaring that the company would not be liable for "any loss arising from overloading or any other violation of the navigation laws of the United States." The tug was licensed to carry only 45 persons, but one day in June, 1894, she sailed down the Bay carrying 81 people. She foundered off Sandy Hook and 42 lives were lost, within three of the total number of persons the tug was allowed by law to carry.

Having sacrificed his tug and innumerable lives in order to make as much profit as he could, the owner turns round and sues the insurance company for the \$5,000 named in the policy, claiming that the number of passengers carried did not have anything to do with causing the loss of the tug. Justice McAdam, however, took the sensible view that the overloading of the tug was the responsible cause. "The tug started on its errand a violator of the law, and took the chances of all that followed. The venture was a bold one and turned out disastrously. The disregard of Government regulations was clearly the predominating and efficient cause of the loss." That is the opinion of a wise and impartial judge, but if some anti-trust crazed occupant of the judicial bench had got the case the decision would have been just the reverse, because there are wearers of the ermine who believe that an insurance company is to be adjudged guilty even after its innocence has been proven.

MECHANICS' OF PHILADELPHIA.

The forty-third annual statement of the Mechanics' Insurance Company of Philadelphia completes a long record of prosperity for that company. In the fire underwriting business there are streaks of fat and streaks of lean, and the wisest of management cannot prevent the lean kind from swallowing up the fat kind occasionally. But the Mechanics' has had a combination of good management and good fortune for which its stockholders may well feel grateful. The company has had three good years in succession, and in that time its assets have increased from \$763,000 to \$895,000, and its net surplus from \$100,000 to nearly \$240,000, the former gaining \$39,000 and the latter \$58,000 last year. The re-insurance reserve has increased during the year from \$365,000 to \$405,000, for which the company holds assets of \$280 for each \$100. President Simon J. Martin is keeping his company up to standard, and while he remains at the helm the Mechanics' is not likely to run into shoal water.

A STOCKHOLDERS' MEETING IN LONDON.

We are not troubled with Anglophobia, but we confess to a strong admiration for the way English stockholders, or shareholders as they are called over there, stand up for their rights at corporation meetings. English financial and insurance journals have more than their share of "dry reading," but in their reports of annual meetings of banking, railroad and insurance companies there is usually much to interest and sometimes something to amuse. Hauling directors and officials over the coals is a favorite pastime with shareholders, and in the process of "roasting," the feelings of managers of corporations are not given much consideration.

The marked difference between the way things are done here and abroad is shown in the report of a shareholders' meeting, which we find in a late issue of the *Insurance Observer* of London. The company was a new one, only four months old, and had already had troubles of its own. The company is called the "Insurances Corporation Limited." The president is an "Hon. Sir. K. C. M. G.," and was chairman of the meeting. He opened the meeting with an address which was as smooth as the treacle which ordinarily is considered good for catching flies. In this case it was a failure. The chairman told how the company had a subscribed capital of \$500,000 when allotment was made on November 10, but to obtain \$750,000 additional capital a contract was made with the original promoters, a company called the "Contract Agency," to dispose of the shares. A call was given the Contract Agency for the \$750,000 stock at par for a limited period with provision for a brokerage of 6 per cent.

The Contract Agency issued a prospectus, offering shares at a premium of \$10 each, and advising people to hurry up and get on board, or the train would shortly leave without them. The chairman went on to explain how the directors were astounded when they discovered the character or want of character of the prospectus, how they canceled the contract, and requested a director who was the principal promoter and an official in the Contract Agency to get out. The chairman wound up with a hopeful forecast of the future after expressing the opinion that the past wrongdoing had all been remedied. He closed by saying that he should "be pleased to answer any questions which you (the assembled shareholders) may wish to put," and thereupon the shareholders proceeded to please him to his heart's content. We reproduce here the report of the subsequent proceedings as it appears in our London contemporary:

Mr. FORTUNE (Edinburgh) wished to ask what position Mr. Curtis occupied with regard to the corporation. He had seen a circular which was sent out to the original shareholders in the corporation telling them that the directors were about to issue shares at £2 premium, and if they did not subscribe within so many days the opportunity would be lost.

The CHAIRMAN: I may answer that question at once. It was a fraud. The letter was never authorized by the directors, nor had they any knowledge of it. They were very much surprised when some of these letters were returned to them. "L. Curtis," who signed these letters, I understand, is a young woman. [Laughter.]

A SHAREHOLDER: The name of Curtis is in the first prospectus as secretary.

The CHAIRMAN: The appointment of Miss Curtis as secretary was never recognized by the board.

A SHAREHOLDER: Before you appointed a secretary you ought to have known whether it was a woman or a man. [Laughter.]

The CHAIRMAN: The appointment was not made by the board, and any action taken in its name was entirely unwarranted. It is a very common thing for the name of a secretary *pro tem.* to be put on the original papers, but that person retires as soon as the board is formed.

Mr. FORTUNE said that a feeling of strong dissatisfaction with the directors existed among the proprietors, from the fact that the directors held no shares in the company. Even now he believed only two of the directors held shares.

The CHAIRMAN: That statement is entirely incorrect. There is not a director who is not now a shareholder. At the outset all the directors did not hold shares, as by the articles of association they were not required to do so. I myself, however, looked upon that as a false position, and accordingly all the directors took shares.

A SHAREHOLDER: Is it true that an action has been commenced against the directors for issuing a fraudulent prospectus?

The CHAIRMAN: We have heard nothing of it.

The SOLICITOR: It is true that one small shareholder came to me at the office and demanded his money back. I remitted, and had to turn him out of the office. His solicitor then issued a writ of the usual sort, claiming his money back. That was this morning.

A SHAREHOLDER: How many shares does that shareholder hold?

The SOLICITOR: I am not quite sure, but I believe four or five.

A SHAREHOLDER: I supplied for shares, relying upon the names of two gentlemen which appeared in the prospectus. I now hear that one of those gentlemen has no shares at all, and that the other holds very few; indeed, I gather from what has been said this morning that several of the directors did not hold any shares.

The CHAIRMAN: In the first place it is not necessary under the articles of association that the directors should hold shares. But, as I have said, I considered that if we did not hold shares we should be in a false position, and when my attention was called to the fact that some of the directors held no shares, they at once took shares.

A SHAREHOLDER pointed out that the qualification for a director, except as regarded original directors, was 200 shares. Was he to understand that each director now held 200 shares?

The CHAIRMAN: I did not say so. We are original directors, and as such are not required by the articles of association to hold any shares. But we have taken some shares.

A SHAREHOLDER asked how many shares had been issued?

The CHAIRMAN: Two thousand.

A SHAREHOLDER: Does that include the holding of the Contract Agency?

The CHAIRMAN: They hold no shares.

A SHAREHOLDER: Have you any objection to telling us how many shares the directors do hold?

The CHAIRMAN: I do not think it necessary.

A SHAREHOLDER: I think it is. You are drawing £2,500 a year from the funds of the company, whether any profit is made or not.

The CHAIRMAN: That is not so.

A SHAREHOLDER: You are empowered to draw that amount by the articles of association.

The CHAIRMAN: That may be so, but I can assure you that the directors will not draw any remuneration that is not in accordance with the progress made by the company. They have no intention of drawing the full fees fixed by the articles of association until the business of the company warrants their doing so.

A SHAREHOLDER: I think you ought to answer the question as to how many shares the directors hold.

The CHAIRMAN: I do not see that I am called upon to answer that question. I have already said that we have done more than we are strictly required to do by the articles of association. If any shareholder wants any further information on the subject he can see the register at the offices of the company.

A SHAREHOLDER: It looks rather a shady business altogether.

The CHAIRMAN: That is all the business.

A SHAREHOLDER: I think the money the company is wound up the better, as it is very certain that the shareholders will never get a penny of their money back.

The CHAIRMAN: I declare this meeting closed.

The directors then left the room, and expressions of dissatisfaction from many of the shareholders.

GERMANIA FIRE.

The Germania Fire Insurance Company added to its assets \$231,000 last year and \$204,000 to its surplus, those items now being \$3,944,751 and \$1,532,626 respectively. The reserve for unearned premiums was increased from \$1,448,315 to \$1,314,673, and for losses and other claims was reduced from \$136,843 to \$97,451. The Germania came in for its share of the good fortune which 1896 brought to fire underwriters.

THE NEW YORK LIFE CAME DOWN.

Mr. Charles W. Moore, Michigan State Agent for the New York Life Insurance Company for a number of years, and unimpairedly dismissed by Mr. McCall, has collected handsome damages from the company for breach of contract. He sued for \$140,000 and before the case came on for trial the company offered to submit the question to arbitration. Mr. Moore was successful in proving his case before the arbitrators and the New York Life pays the freight. The amount for which the company settled has not been declared, but Mr. Moore is well satisfied with the result.

CARNEY vs. NEW YORK LIFE.

The case of Dr. S. H. Carney against the New York Life Insurance Company, for damages for breach of contract, was up in the Supreme Court before Judge Gildersleeve on February 8th. Dr. Carney, for many years, was connected with the medical department of the company under a life contract. Without any explanation or any charge against him, he was summarily dismissed about two years ago. Dr. Carney sued for salary under his contract. At the trial, and before any evidence was admitted, counsel for the New York Life Insurance Company presented the technical defence that the company had no power to make a life contract, and cited the decision in the Supreme Court in the case of President Beers. Judge Gildersleeve thereupon dismissed the case, saying that he was constrained to follow the decision in the Beers case but advised the plaintiff to carry the case to the Appellate Court and there get a final decision. The peculiarity of the Beers case is that after Mr. Beers resigned the directors voted him a life pension of \$37,500 a year. Mr. McCall refused to pay it. Mr. Beers sued and was beaten in the lower court. He prepared to appeal the case but the proceedings were dropped, and we understand that the sum of \$25,000 per annum was paid to Mr. Beers during the remainder of his life. The decision in the Beers case, therefore, never came up for review in the highest court, and should Dr. Carney appeal his case the law may be differently construed.

MR. DAVID BURKE.

Mr. David Burke, who, for many years, was General Manager of the New York Life Insurance Company in Canada, with headquarters at Montreal, has severed his connection with that company. He has become General Manager of the Royal Victoria, a new company which is meeting with great success. Mr. Burke is a man of remarkable ability and great popularity, and he is building up the business of the Royal Victoria rapidly.

OBSERVATIONS.

The Broadway Insurance Company will probably not be "dissolved" after all, the new management having decided to continue the corporate existence. The business transferred to the Hartford hasn't come back yet.

A lady cyclist in knickerbockers was riding in the neighborhood of Wareham. She lost her way, and, seeing a countryman in front, rode up to him, alighted, and said: "Can you tell me if this is the right way to Wareham?" The man looked her up and down with great attention, and then slowly replied: "Yes, miss—yes; you seem to have got 'em on all right."—*Tu-Bid.*

A citizens' committee, appointed to wait upon Diogenes to request of him that he should run for Mayor of Athens, was asked by the philosopher: "And wherefore should I? In what respect have I shown any special qualification for the honor of being a candidate?" "You have a barrel," remarked the committee; but Diogenes, not being acquainted with the political methods of the time, failed to see the point and declined to run.—*Pack.*

Superintendent Matthews and Ex-Superintendent Hahn of Ohio are having a lively time over the Lloyds business in that State. Matthews is determined that the Lloyds Hahn admitted shall clear out of the State, and they'll have to get.

Aunt Maria (at the theatre): "Why do all those men rush out in breathless haste the moment the curtain falls?"

Uncle Henry: "Just wait till they come in again, and you'll understand it."

When they returned there was not a breathless one among them.—*Boston Transcript.*

A bill in the Massachusetts Legislature provides that insurance companies must report to the proper authorities every fire upon which they pay losses, no matter how trivial the loss may be. There is some opposition to the measure, but in behalf of correct statistics the bill ought to pass.

Sammy had never encountered any limburger cheese before. "If you please," he said to the waiter, "I'd rather have some that's—that's been on ice."—*Chicago Tribune.*

"Lent doesn't begin until March this year."

"So I understand. Very late—isn't it?"

"Yes; still, I suppose the Bryan campaign put everything back a little."—*Harper's Bazar.*

It has been reported that Superintendent Matthews would come on and examine the Globe himself. Why not write Superintendent Payn to assist at this function?

Wife: "Why did you send the doctor away before allowing him to do anything for you?"

Husband: "The fool said he could cure me in three days. Why, say, I'm insured for \$40 a week, and my salary's only \$20. I wonder what he takes me for!"—*Cleveland Leader.*

A bill now before the Indiana Legislature makes it a misdemeanor to insure employers against liability to their employees. A committee has reported the bill favorably, and there is a chance of its going through. Altogether, insurance is tending towards the rankest of crimes.

There is complaint of the "mutuals" in Georgia because they are slow paying when losses occur. It is said that the mutuals fight outside claims and make excuses when the losses are nearby. Hence Georgians are on the warpath. It is best to be honest at home.

In some respects it is said that the old and the new Superintendent of Insurance in this State are alike as two Ps. The parting with Pierce, however, gives us Payn.

Alabama proposes to down the insurance "trusts." A bill which has passed the House provides that no insurance company shall belong to a tariff association. If it does it will be required to pay policy holders 25 per cent. additional on any loss they sustain. There's a chance for honest men to get rich by law.

Only one of the three giants has yet to publish its statement for 1896, but the *Worth Statement* gives hints of big things accomplished. More insurance in force as well as assets than for any other company is claimed for the Mutual Life. Admitted assets increased \$15,040,005, and surplus \$1,853,467, the latter now being \$29,733,514. These are large figures.

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AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, PRESIDENT. E. S. SAVAGE, 2d VICE-PRESIDENT.
CHAS. S. WHITNEY, JOHN NAPIER, VICE-PRESIDENT. SECRETARY.

Penn Mutual Life Insurance Co. OF PHILADELPHIA, PA.

GROSS ASSETS, - - - \$29,405,529.65
SURPLUS, - - - \$394,126.19

The Penn is purely Non-Paid. Insurance is furnished at exact cost. Its terms—liberality, interest and expediency—all have been highly favorable in this company. All policies are absolutely NON-PAIDABLE for reserve value, the latter being applied in "Excess" or in "Premium," as may be desired. Its policies are free from technicalities, and become irrevocable for any cause after Two Years.

EDWARD M. NEEDLES, President.

HARRY F. WEST, Vice-President. JOHN C. HAMPE, Vice-Loss Dept.
HENRY C. BROWN, Sec. and Treas. H. C. LIPPINCOTT, Mgr. of Agents.
JESSE J. BARKER, Actuary. H. H. BALLEWELL, Asst. Sec. & Treas.

The Thirty-Third Semi-Annual Statement

UNITED STATES BRANCH

Scottish Union and National

INSURANCE COMPANY.

January 1, 1897.

Cash assets,	\$5,091,119.60
Surplus,	1,533,710.09
Excess of income over losses incurred and all expenses,	417,880.49
Gain in cash assets,	357,360.93
Added to reserve,	309,247.15
Gain in surplus,	106,944.73

For the five years ending January 1, 1897, the Scottish Union shows the following remarkable results:

Increase in reserve,	\$843,391.29
Increase in assets,	1,619,541.72
Increase in surplus,	590,912.41
Income over all losses incurred and expenses,	1,321,645.76

LIFE AND ACCIDENT INSURANCE.

47th ANNUAL STATEMENT, CONDENSED.

ETNA LIFE

INSURANCE COMPANY.

HARTFORD, CONN.

MORGAN G. BELKLEY, President.

Assets, January 1, 1897,	\$42,557,578.15
Liabilities to policy holders, reserves and all other claims,	39,815,700.00
Surplus to policy holders, January 1, 1897,	2,741,878.15
Assets, January 1, 1896,	41,000,000.00
Liabilities to policy holders, January 1, 1896,	38,000,000.00
Surplus to policy holders, January 1, 1896,	3,000,000.00
Total receipts in 1897,	7,000,140.00
Total disbursements in 1897,	22,000,000.00
Life, accident and term policies issued and revised in 1897, 10,000,	145,000,000.00
Life, accident and term policies in force January 1, 1897,	70,000,000.00
Life, accident and term policies in force January 1, 1896,	70,000,000.00

The following gains were made by the ETNA LIFE in the year 1897: In income, \$1,000,000; in assets, \$1,000,000; in surplus, \$1,000,000; in new life business, \$1,000,000; in life insurance in force, \$1,000,000; in accident business in force, \$1,000,000; in term business in force, \$1,000,000; in all business in force, \$1,000,000; in Connecticut, \$1,000,000; in all life business in Connecticut, \$1,000,000.

The dividend to the insured for 1897 is the 5th regular annual increase as provided in the policy of life insurance. Notwithstanding the increase made by the ETNA LIFE in 1897, its expenses to income in the Life Department were a little lower than the previous year, and its per cent. less than the average expenses of the ten leading "purely mutual" companies for the year 1897. We have not their figures for 1897.

J. C. WHEELER, Vice-President.

H. W. ST. JOHN, Actuary. C. F. CAXOS, Asst. Secretary.
EDWARD M. NEEDLES, M. D., Medical Director.
JAMES CAMPBELL, M. D., Medical Examiner.

WILLIAM B. BURNELL, General Agent, Life Department.
GEORGE C. STEWART, General Agent, Accident Department.

W. A. COOPER, General Agent, City & R. R. Building, Brooklyn, N. Y.

FORTY-NINTH ANNUAL STATEMENT

OF THE

PENN MUTUAL LIFE

INSURANCE COMPANY

OF PHILADELPHIA.

Net Assets, Jan. 1, 1896, less depreciation,

RECEIPTS DURING THE YEAR.
For premiums and salaries,

DISBURSEMENTS.
Claims by death,

Net assets, Jan. 1, 1897,

ASSETS.
City loans, railroad and water bonds, bank and other stocks,

Net income,

LIABILITIES.
Death claims reported, but awaiting proof,

NEW BUSINESS OF THE YEAR, 10,000 policies for,

EDWARD M. NEEDLES, President. HARRY F. WEST, Vice-President.
HENRY C. BROWN, Sec. & Treas. JESSE J. BARKER, Actuary.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.



Bonds Issued for Employers, Administrators, Guardians and in Judicial Proceedings.

W. L. TRUMBULL, President.

HERVEY D. LYNAS, Vice-President.

Resident Brokers, New York.

Wm. A. Woodcock,
P. W. Vanderhill,
Carroll N. Shaw,
C. H. Livingston,
Daniel G. Hoffman,
Walter K. Johnston,
Wm. Nelson Cromwell,
Charles H. Depew,
John F. Bourne,
R. F. Henshaw,
Geo. F. Foster,
H. D. Laman,
Henry B. Platt,
Wm. L. Trumbull,
Henry H. Cook,
Wm. L. Russell,
Edw. Ross,
G. L. Tiffany,
G. A. Elford,
Wm. A. Noble,
Willis S. Palmer,
W. B. Sumner,
James A. Hayden,
John J. McCook,
John A. McCall,
Andrew M. Ma,
Jas. Sullivan.

CAPITAL - \$7,000,000.

BONDSMEN SUBSCRIBED.

Statement, December 31, 1896.

RESOURCES (including capital, \$7,000,000) \$5,132,803.76
LIABILITIES (including reserve, \$97,963.91) \$59,196.81

1860—1897.

United Firemen's Insurance Co.,

PHILADELPHIA.

Assets, January 1, 1897, - - - \$1,426,021
Surplus to Policy Holders, - - - 502,868
Capital, - - - 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827
Income, - - - 14,158,445
Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well as Industrial business, and offering exceptional advantages to its Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA.

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

33d ANNUAL STATEMENT

OF THE

TRAVELERS

INSURANCE COMPANY.

Chartered 1863, (Stock.) Life & Accident Insurance

JAMES G. BATTERSON, President.

HARTFORD, Conn., Jan. 1, 1897.

Paid-up Capital.....\$1,000,000.00

ASSETS.

Real estate.....	\$1,053,756.00
Cash on hand and in bank.....	1,462,133.98
Loans on bond and mortgage, real estate.....	5,877,158.03
Interest accrued but not due.....	300,121.89
Loans on collateral security.....	714,180.00
Loans on this company's policies.....	986,342.31
Deferred life premiums.....	291,935.47
Premiums due and unreported on life policies.....	355,503.67
State, county, and municipal bonds.....	3,361,079.92
Railroad stocks and bonds.....	8,767,171.00
Bank stocks.....	1,084,966.00
Miscellaneous stocks and bonds.....	1,489,370.00
Total assets.....	\$30,696,684.63

LIABILITIES.

Reserve, 4 per cent., Life Department.....	\$15,501,586.00
Reserve for re-insurance, Accident Department.....	1,311,974.40
Present value of matured installment policies.....	354,370.00
Special reserve for contingent liabilities.....	286,631.98
Losses unadjusted and not due, and all other liabilities.....	408,478.90
Total liabilities.....	\$17,960,960.37
Surplus to policy holders.....	\$2,076,424.36

STATISTICS TO DATE.

LIFE DEPARTMENT.

Number life policies written.....	90,479
Life insurance in force.....	\$86,243,267.00
New life insurance written in 1896.....	11,941,012.00
Insurance issued under the annual plan is returned at the commuted value thereof as required by law.	
Returned to policy holders in 1896.....	1,229,077.90
Returned to policy holders since 1864.....	11,814,765.16

ACCIDENT DEPARTMENT.

Number accident policies written.....	2,338,166
Number accident claims paid in 1896.....	14,163
Whole number accident claims paid.....	292,379
Returned to policy holders in 1896.....	\$1,372,936.96
Returned to policy holders since 1864.....	10,638,186.13
Returned to policy holders in 1896.....	\$2,602,014.66
Returned to policy holders since 1864.....	31,742,954.31

GEORGE ELLIS, Secretary.

JOHN E. MORRIS, Assistant Secretary.

EDWARD V. PRESTON, Supt. of Agencies.

J. B. LEWIS, M. D., Surgeon and Adjutant.

SYLVESTER C. DUNHAM, Counsel.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS,
MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.

The Guarantors
LIABILITY-INDemnITY-COMPANY.
OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.
New York Office: 115 BROADWAY.

BRITISH AMERICA Assurance Company.

STATEMENT OF
UNITED STATES BRANCH,
1st JANUARY, 1897.

ASSETS.

U. S. Government bonds.....	\$395,850.00
State bonds.....	25,750.00
Municipal bonds.....	489,911.00
Cash in bank and agents' hands.....	201,460.93
Stocks and debentures.....	164,873.00
Accrued interest.....	10,914.77
Total assets.....	\$1,191,711.70

LIABILITIES.

Re-insurance reserve (N. Y. Standard)....	\$391,254.09
Reserve for losses.....	100,140.05
All other liabilities.....	38,912.44
	\$729,306.58

Surplus in U. S.	\$452,405.12
Income in U. S. for 1896.....	\$1,142,266.03
Losses paid in U. S. from 1874 to 1896 inclusive, \$9,098,903.03	

Hon. GEO. A. COX, President.

J. J. KENNY, Vice-President.

THE GREENWICH Insurance Company

OF THE CITY OF NEW YORK.


ORGANIZED IN 1834.

Office, No. 161 Broadway.

(This Company has been uninterruptedly and successfully in business Sixty-two Years.)

62nd Annual Statement, January 1st, 1897.

ASSETS, - - - - -	\$1,379,216.57
Cash capital, - - - - -	\$390,000.00
Reserve premium fund, - - - - -	680,946.39
Reserve for losses, and all other claims, - - - - -	304,657.69
Net surplus, - - - - -	284,612.96
	\$1,379,216.57
SURPLUS as regards Policy Holders, - - - - -	\$464,612.96



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.
G. W. BABB, Jr., Manager.
T. A. RALSTON, Sub-Manager.

1850.

1896.

The United States LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty six years of practical life insurance, which has taught it that the sure sign men of success is the adoption of good plans of insurance, and the pursuit of a liberal policy towards both its insured and its agents. These principles it possesses in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policyholder. Its contracts are incontestable after two years. They are non-forfeiting, providing generally for either paid-up policy or extended insurance, at the option of the policyholder. It gives ten days of grace in payment of all premiums. Its course during the past forty-six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
C. P. FRALEIGH, Secretary. A. WIDELWRIGHT, Assistant Sec'y.
WM. T. SPANGLER, Attorney. ARTHUR C. PERLEY, Cashier.
JOHN F. MUNN, Medical Director.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
E. H. PERKINS, Jr., President Importers' and Traders' National Bank.
JAMES R. PLUM, Leader.

SUBSCRIBE FOR

The Insurance Observer,
\$2.00 a Year.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.
It conducts its business at a lower rate of expense than any other company.

E. STANLEY BROWN, GEORGE MUNRO ENDICOTT,
General Manager, London. Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.
OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. CLOVET, President Central Trust Co., New York.
ERNEST THALMANN, of Leoben, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Notman, Johns & Myrdens, Counselors at Law, New York.

F. E. BAUER, Manager. AD. DOHMEYER, Asst. Manager.

THE

Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - - - - DIGBY JOHNSON.

January 1, 1896.

Assets, - - - - - \$2,807,886.04
Liabilities, - - - - - 1,897,814.70
Net Surplus, - - - - - \$770,041.84

Trustees in the United States.

DONALD MACKAY, Esq., of Vermilye & Co.
CHARLES S. S. HARRIS, Esq., of Bliss, Fahnestock & Co.
H. J. FAIRCHILD, Esq., of The N. Y. Claffin Co.
EDWARD LITCHFIELD, Manager New York Office.
H. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserve for insurance in force, etc.	4,181,090.12
Net surplus	5,088,806.12
Policyholders' surplus	8,028,806.12
Gross assets	1,816,806.12

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary. CYRUS PECK, Treasurer.
B. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. F. KLINE, Asst. to Gen'l Mgr.,
Western Department, RIALTO BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.



BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINGS, President and Managing Director. EDDIE & COMMON, Auditors.

BRANCH OFFICES.

New York—181 Broadway, D. J. Thompson, Secretary.
Boston—48 Central Street, Geo. W. Grosvenor, Attorney.
Chicago—Room 408, The Temple, J. B. Tracy, Secretary and Attorney.
Philadelphia—407 Mutual Life Bldg., A. F. Babine, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT,
MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets	\$232,141.03
Liabilities	189,778.24
Surplus	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$9,611,168.81
SURPLUS	246,178.96
LOSSES PAID	7,464,889.96

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust.
Personal Accidents, Plate Glass, Burglar, Elevator,
Employers', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department,

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



CALEDONIAN INSURANCE CO.

OF SCOTLAND.

Founded 1805.

"THE OLDEST SCOTTISH INSURANCE OFFICE."

United States Head Office, 27-29 FINE ST., N. Y. CITY.

STATEMENT, JANUARY 1st 1897.

Assets	\$2,101,183
Liabilities	1,178,861
Net Surplus in the United States	\$922,322

CHARLES H. POST, U. S. Manager. R. A. McKEIL, Assistant U. S. Manager.

THE

FRANK A. COLLEY

INSURANCE AGENCY.

24 Central Street, Boston, Mass.

(LONG DISTANCE TELEPHONE 846.)

Insurance to any amount on property located in any portion of the United States or Canada, written and placed at equitable rates in reinsurance and sub-insurances that will bear the fullest investigation. Correspondence solicited.

QUEEN

Ins. Co. of America,

NEW YORK.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,

COMPANY'S BUILDING, 84 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURCELL, Assistant Manager.

A. M. THORBURN, Secretary.

NORWOOD INSURANCE CO.

OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1896.

Capital stock	\$200,000.00
Unpaid stock	110,000.00
Unpaid stock and unpaid interest	48,781.38
Commission and other liabilities	70,100.00
Net surplus	73,000.00
	\$352,781.38

ANDREW J. ARNETHING, Sec.

GEORGE S. NORTON, Pres.

J. JAY NEWELL, Sec. Local Dept.

HENRY ADAMS, Jr., Vice-Pres.

CLINTON WEEKS & CO., Gen'l Agts., N. Y. Life Bldg., Chicago.

GERMANIA

FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital	\$1,000,000.00
Reserve for unexpired premiums	1,316,473.24
Reserve for losses under adjustment	67,000.41
Reserve for all other claims	80,566.40
Net surplus	1,564,040.05
Total assets	\$3,944,181.57

HUGO SCHUMANN, President.

FR. VON BERNTH, Vice-President. CHAS. RUYCHAVY, Secretary.

GEO. R. EDWARDS, Vice-President.

GUSTAV KERN, Assistant Sec'y.

WESTERN

ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

HON. GEORGE A. COX,

J. J. KENNY,

President.

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets	\$1,636,689.36
Surplus in United States	547,731.08

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE UNITED STATES.

The Palatine

INSURANCE COMPANY LTD

OF MANCHESTER, ENGLAND.



FOR FIRE INSURANCE.

Assets in United States. - - - - - \$2,456,236.28

Net Surplus. - - - - - 666,350.47

Writing Large Lines on Insurable Risks.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM HILL, WILLIAM WIND, JOHN MANAGRA.

WILLIAM M. BALLARD, Branch Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION

ASSURANCE CO.,

(LIMITED.)

OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

HAVE YOU THE LATEST AND BEST POLICY?

SUBJECT TO THE
INVAULABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS: **UNION** Incorporated 1846.
 Terms: **MUTUAL** Reliable
 Annual Divi- Agents
 dend or Always
 Receivable Insurance
 Term. **LIFE** Company. Wanted.

FRED F. RICHARDS, President.

PORTLAND, MAINE.

ARTHUR L. BATES, Vice-Pres.

Address either: 120 Nassau Street, N. Y. City.

THORNTON CHASE, Agent, 41 Adams Street, Chicago, Ill.

NEDERLAND

Life Insurance Company (Limited),
OF AMSTERDAM, HOLLAND.

Established 1858.

SPECIAL FEATURE: Combination Term Policies.

Low Rates. Ample Security.

874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.

JOHN CROSBY BROWN, of Messrs. Brown Bros. & Co., Bankers.

ARTHUR T. FRANKLIN, Vice-President of the Manhattan Trust Co.

JOHN D. KEELLY, Merchant.

JAMES S. POTTER, Merchant.

CHARLES E. WHITEHEAD, of Messrs. Whitehead, Dexter & Oskers, Com-

missioners.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company
OF NEW YORK
Chartered 1876.

THE OLDEST NEW YORK COM-
PANY IN ITS LINE, AND THE
ONE HAVING THE LARGEST
NET SURPLUS.

January 1, 1897.
Assets, = \$462,179.22
Capital and Net
Surplus, = 316,874.77

EDWARD H. WOODS, - President
DAVID H. WATSON, - V. President,
J. W. BURTON, - Sec'y.
CHAS. F. FENNER, Gen. Agent,
No. 114 La Salle St., CHICAGO.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

ESTABLISHED 1864.

THE UNDERWRITERS POLICY (FIRE)

Issued by local agents in all prominent localities in the United States.

Head Office : 46 Cedar Street, New York.

THE Manhattan Life Insurance Company,

NEW YORK.

THE
WASHINGTON
Life Insurance Company
OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS. E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company
OF NEW YORK Incorporated 1882.
Cash Capital \$250,000.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary.

THIRTY-SEVENTH ANNUAL STATEMENT OF THE

EQUITABLE LIFE ASSURANCE SOCIETY

OF THE UNITED STATES,

FOR THE YEAR ENDING DECEMBER 31, 1896.

ASSETS.

Bonds and Mortgages	\$37,031,476.97
Real Estate, including the Equitable Building and purchases under foreclosure of mortgages....	26,048,242.94
United States Stocks, State Stocks and City Stocks and other investments, as per market quotations Dec. 31, 1896 (market value over cost, \$2,795,662.63)	113,077,465.66
Loans secured by Bonds and Stocks (market value Dec. 31, 1896, \$14,738,095)	11,723,700.00
Real Estate outside the State of New York, including purchases under foreclosure and office buildings	16,670,396.37
Cash in Banks and Trust Companies at interest....	11,262,939.63
Balances due from agents	632,697.30
Interest and Rents due and accrued	518,846.58
Premiums due and unreported, less cost of collection	2,578,037.00
Deferred Premiums, less cost of collection	2,300,155.00
Assets Dec. 31, 1896	\$216,773,947.36

We hereby certify that, after a personal examination of the securities and accounts described in the foregoing statement for the year 1896, we find the same to be true and correct as stated. The stocks and bonds in the above statements are valued at the market price December 31, 1896. The Real Estate belonging to the Society has been appraised by the Insurance Department of the State of New York, and is stated at the reduced valuation as shown in the official report of the examination of the Society, dated July 9, 1896.

FRANCIS W. JACKSON, ALFRED W. MAINS,
Auditor. 2nd Auditor.

LIABILITIES.

Reserve on all existing policies, calculated on a 4% standard, and all other Liabilities	\$173,496,768.23
Surplus, on a 4% standard	\$43,277,179.12

We hereby certify to the correctness of the above calculated on the reserve and surplus. Dividends will be declared, as herebefore, on the basis of a 4% standard.

GEORGE W. PHILLIPS, Actuary.
J. G. VAN CIE, Assistant Actuary.

INCOME.

Premium Receipts	\$36,089,357.71
Cash received for Interest and from other sources	8,921,700.67
Income	\$45,011,058.38

DISBURSEMENTS.

Death Claims	\$12,380,249.00
Matured and Discounted Endowments	1,096,193.24
Annuities	410,793.31
Surrender Values	3,582,304.00
Matured Term Insurance	2,041,970.30
Dividends paid to Policyholders	2,425,932.61
Paid Policyholders	\$21,837,438.45
Commission, advertising, postage and exchange	4,330,288.30
All other payments: Taxes, salaries, medical examinations, general expenses, &c.	3,736,714.26
Disbursements	\$30,004,422.01

ASSURANCE.

INITIAL POLICIES STATED AT THEIR COMPILED VALUES.

Outstanding Assurance Dec. 31, 1896	\$916,102,070.00
New Assurance written in 1896	\$127,894,084.00
Proposals for Assurance Examined and Declined	\$21,678,467.00

We, the undersigned appointed by the Board of Directors of the Equitable Society, in accordance with its by-laws, to revise and verify all its affairs for the year 1896, hereby certify that we have, in person, carefully examined the accounts, and counted and examined in detail the Assets of the Society, and do hereby certify that the foregoing statement thereof is true and correct as stated.

E. BOUGHNOT COLT, } Special Committee
T. S. YOUNG, }
W. B. KENDALL, } of the
G. W. CARLETON, H. J. FAIRCHILD, } Board of Directors.

OFFICERS.

HENRY B. HYDE, President.

JAMES W. ALEXANDER, Vice-President.
LOUIS FITZGERALD, Second Vice-President.
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GEORGE T. WILSON, Fourth Vice-President.
EDWARD W. LAMBERT, Medical Director.

THOMAS D. JORDAN, Comptroller.
W. ALEXANDER, Secretary.
S. D. BIPLEY, Treasurer.
J. B. LOBING, Registrar.
EDWARD CURTIS, Medical Director.

THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, MARCH 1, 1897.

No. 7.



IN AN IDEAL POSITION.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED WEEK-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$2.00 per annum.

European Subscription (postage free), - - - 2.50 " "

Payable in Advance.

Single copies, - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - MANAGER.

JOHN S. HANSON, EDITOR.

ALABAMA'S LIBERAL CONSTRUCTION LAW.

Alabama has placed on its statute books a law bearing the ears of the ass and the horns and hoofs of the devil. Awinity and devilishness have filled the legislative cauldron to the brim. At both ends and in the middle the law is malicious and malignant. The act is entitled "An act to more effectively protect the people against combines, conspiracies and agreements between insurers, whereby rates of insurance are raised and fixed." The last section reads: "That this act shall be *liberally construed* to accomplish its purpose." That section merely indicates what villainies the Alabama legislature would commit if it had the power, but it is impotent to compel "liberal" construction of a statute.

The law contains two other sections which provide, first, that every contract or policy of insurance made or issued after the passage of the act shall be construed to mean that in the event of loss or damage thereunder the assured or beneficiary thereunder may, in addition to the actual loss or damage suffered, recover 25 per cent. of the amount of such actual loss, provided that at the time of making the contract or *subsequently* before the time of trial the insurer was in any way connected with a tariff association or had any agreement or understanding with any person, corporation or association engaged in the business of insurance, as agent or otherwise, about any particular rate of premium which should be charged or fixed for any kind or class of insurance risks.

That is, the Alabama law declares that if an insurance company has any agreement or understanding with any other company or with an agent regarding the rate of premium to be charged on any risk anywhere in the wide world, the people who have insured property in Alabama burned up can mulct the company of 25 per cent. more than their actual loss.

To clinch the wickedness of the measure the following additional provision was injected into it: "And provided further,

no stipulation or agreement in said contract or policy of insurance to arbitrate loss or damage, nor to give notice or make proofs of loss or damage, shall in such case be binding on the insured or beneficiary, but right of action accrues immediately upon loss or damage." So the assured will not be required to give notice or make proofs of loss. He can prepare his summons and complaint as soon as the fire starts, or before if he happens to have a premonition that there is to be one, and have same served on the insurance company. That will put costs on the company and aid in the more *liberal* accomplishing of the object of the law.

What are the insurance companies going to do about it? Well, they have not yet decided, but they are not scared and they are not dropping their membership in tariff associations. It will work out all right—for the insurance companies; Alabama policy holders may not fare as well. The cost of an additional risk of 25 per cent. can be figured out approximately, and the increased moral hazard involved in the opportunity afforded owners of property to sell it to underwriters at one-fourth more than its actual value can be *liberally* estimated. Then the companies can enter into a "conspiracy" to raise the rate of insurance to a figure which will permit them to do business and live. After that the people in Alabama may pay the rates if they can, or they can force the repeal of the fool law if they will. The insurance companies need not lift a heel.

THE EQUITABLE LIFE.

The Equitable Life Assurance Society is the youngest of the "three giants," and the largest stock life insurance company in the world. Its financial strength is attested by the surplus of \$43,277,179, which it reported at the close of 1896, and which exceeds that of any other insurance company in existence. The total reserve liability and all other obligations of the company amount to \$173,496,768, and the company holds assets equal to 25 per cent. in excess of that sum. The company last year demonstrated its ability to overcome the worst obstacles that general depression could put in its way. It wrote \$127,694,084 of new business during the year, or nearly \$10,650,000 per month. A good deal of business went off its books, an experience which most of the companies had to contend with last year.

The company ended the year, however, with \$915,102,070 of insurance outstanding, which is nearly \$200,000,000 more than it had in 1890. Its premium receipts last year were \$36,089,357, and total income \$45,011,058, an increase in the latter of \$6,000,000 as compared with five years ago. The assets are \$216,773,947, an increase in 1896 of \$17,000,000, and since 1891 of \$85,500,000. The growth of the company is shown in the following table, giving the annual income, the outstanding insurance, and the surplus for each year mentioned:

Year.	Income.	Outstanding Insurance.	Surplus.
1890	\$22,707	\$1,544,000	\$96,154
1891	6,218,192	134,232,901	316,755
1892	8,347,081	162,357,715	5,550,365
1893	30,393,288	621,019,066	22,851,074
1896	45,011,058	915,102,070	43,277,179

Had the business conditions which prevailed during the greater part of the decade following 1879 continued to exist since 1889 the Equitable would have considerably more than \$1,000,000,000 of insurance outstanding, but it may be doubted if the company would be any stronger financially than it is to-day.

REFEREE REED DODGED.

The impression created by the decision of Referee Reed in the "dating back" case of the Mutual Benefit Life Insurance Company, is that the Caar "sneaked." If dating back is rebating, the agent of the Mutual Benefit Life was guilty of rebating, and the mere fact that the charge was made by a company not a member of the anti-rebate compact ought not to have prevented a decision by the Referee. The compact was not made to help any particular company but to stop rebating, or at least such is the avowed purpose; and an agent who gives a rebate sins not against one company but against all companies. The company that discovers the wrong doing is not the sole party in interest. The Referee should have decided the question when it was presented to him, even if no charge had been made against anybody, for the compact is to prevent rather than to punish rebating. Mr. Reed's dodging is the more inexcusable because a decision that back dating is not rebating would have been acquiesced in very cheerfully by nearly all the companies.

POTATO INSURANCE.

A member of the Michigan legislature while visiting Chicago, ran up against a French bill of fare. He rushed in and tried his luck on five dishes, each time remarking, "I will take some of that," or words to that effect, the eminent legislator not being a linguist. He got what he asked for even if he failed to get what he wanted, and had that famous tuber discovered by Sir Walter Raleigh, the potato, served up to him in five different disguises, all at a cost of 80 cents. It is fair to assume that he got a good deal of potato for the price, with considerable French thrown in. At the end of the fifth round the man of our tongue and of several kinds of potatoes abandoned further experiments with the French, whether because of financial or physical distress the news chronicler has failed to say. The legislator, however, has introduced a bill in the Michigan legislature to prevent the printing of bills of fare in any other language than English. How that will help him to recognize potatoes when he sees them in Chicago restaurants he does not explain.

But there are hosts of people who will sympathize with the Michigan law maker, only instead of potatoes they have been buying insurance or thought they were. It was all French to them, but they thought it would come out all right in the translation; learning at last, however, when financial and physical condition were impaired that what in French appeared to be good reliable insurance was in plain English nothing but the grub root of fraud. A man is even more foolish to buy his insurance blindly, than to pick out his victims from a French menu without knowing a word of French. In the latter case the result may be only indigestion or an unfilled want, in the former it may be absolute deprivation and pinching poverty.

A SAMPLE PUFF.

The New York Life reports . . . mean what they say. They are not padded with bookkeeping items for ratio making purposes, and the company has no use for two sets of figures, one for advertising purposes and the other for official reports to Insurance Departments.—*Insurance Advocate*.

Will the *Advocate* name the life insurance companies which are guilty of such offences? If other companies do not pad and do not use two sets of figures, why single out the New York Life for commendation? Why is it that every puff of the New York Life is based upon a nasty insinuation aimed at other companies fully as honest as itself?

A CONTRACT IS A CONTRACT.

The Supreme Court of Georgia has decided that when a man makes a contract with an insurance company he is bound by the terms of his contract the same as if it had been made with an individual. It is a refreshing decision in view of so many that have denied to insurance companies the right to have their contracts construed according to law. The case was that of Alston against the Greenwich Insurance Company, and Chief Justice Simmons rendered the decision. He held as follows: "This being an action upon a policy of fire insurance containing a stipulation that the same should be void if the hazard be increased by any means within the knowledge or control of the insured, and it affirmatively appearing from the evidence introduced by the plaintiff that he had permitted another person to store a large quantity of hay in the storehouse wherein his own goods, covered by the policy, were contained, and to make sales of the hay so stored; and it also appearing that the hazard was thereby increased, there was no error in granting a non-suit. This is true, although hay belonging to the insured was one of the articles covered by the policy."

EXCEPTIONS OF COURSE.

By the way, isn't it a curious coincidence that W is such a favorite initial in the names of those whose business it is to attack life companies and their policy holders.—*The Insurance Press*.

Reslly he had not noticed it, Mr. W—cbier.

AMERICAN UNION LIFE.

That it takes more brains and greater ability to build up a successful enterprise than to manage it after it is created, is a generally conceded proposition which we have no intention of controverting. The managers of the American Union Life Insurance Company are engaged in the work of building, and if they succeed, as there is now fair promise of their doing, they will fully merit the reward which awaits upon success.

The American Union has been in operation only two and a half years, the most critical period in the life of any enterprise, and particularly in that of a life insurance company. Some mistakes have been made—and who does not make mistakes?—but the close of the year 1896 finds the errors generally rectified, and the promised land of success well within vision.

The company was confronted at the outset with an excessive expense for doing business, but it has remedied that since. It has cut down its salary list \$40,000 per annum, and introduced other economies which seem to assure the company exemption from any future deficit in the absence of an excessive rate of mortality. The company's business is growing very satisfactorily, and its income is now larger than ever before.

The growth in premiums is encouraging. In 1894 (one-half year) they were \$58,315; in 1895, \$119,897, and in 1896 \$155,775. The total assets are \$535,412, or \$35,000 more than the cash capital subscribed, but to make this result possible, the stockholders, in 1895, made a voluntary contribution of \$131,000. The cost of putting a new company into operation is very great, and the wisdom of such a contribution was long ago manifest. Making full allowance for reserve and all other liabilities, the company's statement shows a surplus of \$406,426, or more than four times the reserve. The insurance in force at the end of the year was \$9,088,333, an increase of \$900,136, as compared with the previous year. The management has reason to feel encouraged over the results of last year,

THE MUTUAL LIFE IN 1896.

The Mutual Life Insurance Company of New York still holds its position as the largest insurance company in the world. It holds that position by virtue of the power of mind over matter. No obstacles seem to impede its progress; no competition to shadow its claim to be first. Like the perfect working engine of mammoth build and herculean power, it moves noiselessly, attracting notice only by the magnitude of the results it produces. It will always be a mystery to the uninitiated how the Mutual Life accomplishes so much with so little fuss, so little of explosive fulmination.

The past year, not an ideal one for any kind of business, has lifted the Mutual Life to a higher pinnacle of power and position than it ever held before. It leaves the company higher than it had ever been previously, bigger than anything else in the insurance line. Assets of \$234,744,148; insurance in force (including annuities), \$918,698,338; annual premium receipts, \$39,593,414; annual income, \$49,702,695; these are Mutual Life figures, and no other company can match them. The assets have been pared down to the very thinnest edge to meet the latest requirements of the New York Insurance Department. It has other assets which the company knows are good, even if the Department does not. The total liability of the company to its policy holders is \$205,010,633, leaving a surplus of \$29,733,514, the largest held by any mutual insurance company. The gain in admitted assets during the panic and political year 1896 was \$15,040,005, and in surplus \$2,833,467.

During the past year the company paid to policy holders \$25,437,569, and no other company came within \$3,500,000 of that total, and in the fifty-four years since the company was organized, it has paid to its policy holders or their beneficiaries the magnificent total of \$4,377,095,195.

That the Mutual Life has been moving ahead steadily and rapidly in recent years, some of the figures which we publish below fully demonstrate. We give first the annual premium receipts, total income and disbursements to policy holders in the past six years.

Year.	Premiums.	Total Income.	Paid to Policy Holders.
1891.....	\$30,092,318	\$37,614,734	\$18,755,712
1892.....	33,047,795	40,218,865	19,346,532
1893.....	33,594,338	41,953,469	20,384,422
1894.....	36,123,184	46,020,870	21,090,257
1895.....	38,524,867	48,597,430	23,126,728
1896.....	39,593,414	49,702,695	25,437,569

The evidences of continuous growth here noted in the business of the company are also to be found in its financial strength. We show the total admitted assets, gross surplus and insurance in force at the end of each of the past six years, as follows:

Dec. 31.	Admitted Assets.	Gross Surplus.	Insurance in Force.
1891....	\$15,112,344	\$40,818,807	\$405,484,158
1892....	173,193,393	14,321,216	745,780,083
1893....	184,915,691	15,148,269	802,807,478
1894....	204,250,423	21,166,519	854,716,761
1895....	216,794,953	25,860,047	905,458,817
1896....	234,744,148	29,733,514	918,698,338

The Mutual Life has set a very swift pace for any competitor that cares to enter the race.

THE BUCCANEER MENTIONS ITSELF LAST.

Our voice is for reform in this respect—for discrimination between insurance journals conducted in the interests of insurance and so-called insurance journals that exist solely for the revenue to be obtained from advertising patronage.—*Spectator*.

MASSACHUSETTS MUTUAL BENEFIT.

The special commission which has been investigating the affairs of the Massachusetts Mutual Benefit Association has made a sort of interlocutory report, which does not entirely cover the ground, but does criticize pretty severely in spots those who control the association. The report starts off by saying:

One of the principal causes of the very general dissatisfaction among the older certificate holders is their misapprehension as to the nature of assessment insurance and the terms of their contracts of insurance. The association is a private corporation consisting of seven active members, who claim to be the sole managers of the corporation and to have the absolute control and disposition of the large sums raised by the expense assessments, without any accountability to the certificate holders as to the application of this expense fund. The certificate holders have no voice in the management of the company or its affairs, except so far as to assert their right to have the mortuary fund, which is raised by the annual assessments or calls, applied to the payment of death losses. The association receives this fund in trust to pay death losses, and the contributors have the same right as any beneficiary has to have the trust executed.

After discussing the reason and the necessity for increased assessments, the commission says:

We do not hesitate to say that such an association should not be controlled and managed by a few persons for their own pecuniary interest, even though the interests of the insured may be always carefully considered, and the letter and spirit of the contract observed. Every policy holder should be an active member of the association, and have an equal voice in all of its affairs, and all officers should be strictly accountable to the members for the application of all funds, and any excess of funds of any kind above the actual expenses, cost of insurance, and a reasonable reserve should inure to the benefit of all the members, and not of the managers alone; and unless there shall be such changes in the by-laws and methods as will insure to the members the rights and advantages above-named, we shall hereafter recommend such legislation as will secure them.

Finally the committee adds:

The surprise and dissatisfaction caused by the large increase in assessments have been greatly aggravated and probably justified by the misleading representations repeatedly made by the managers of the association to the policy holders as to the cause, duration and amount of such increase, instead of plainly stating that its assessments under policies written prior to 1890 had been too low, and that it was and would be obliged in the interests of the policy holders to make up this deficiency to the end that each may contribute in proportion to the risk carried upon his life.

The commission says it will require much more time to conclude its labors, and the policy holders will therefore have to content themselves with what little information they have so far received, and continue paying their assessments until they know more or know better.

ROCHESTER GERMAN INSURANCE CO.

A dinner was given on the evening of February 16 at the Genesee Valley Club at Rochester by the directors of the Rochester German Insurance Company, to commemorate the 25th anniversary of its beginning business. It was a very interesting event and the guests were well treated. The company since organization has paid \$4,513,389 in losses to policy holders, and \$454,000 in dividends to stockholders. Hon. Frederick Cook, who has been president since January 12, 1876, is only the third president the company has had.

TRAVELERS INSURANCE COMPANY.

The Travelers Insurance Company is the pioneer accident company in the United States, and has also become something of a life insurance company as well. Certainly a company which has a "department" writing \$1,000,000 of life insurance every month, and which now has \$98,000,000 of insurance in force, is well in the front rank of the elect of life insurance companies. The statistics published by the company make an imposing array. The Travelers has written 90,479 life policies and 1,338,186 accident policies. It returned to policy holders last year: Life department \$1,228,077, accident department \$1,372,937, a total of \$2,601,014. Since it began business it has paid to policy holders: Life department \$11,914,765, accident department \$19,828,189, total \$31,742,954. The total assets are now \$20,896,634, an increase for the year of nearly \$1,500,000; the surplus to policy holders is \$2,976,424, an increase of \$315,000, showing a good year last year in spite of policies.

BROADWAY REINSURANCE DECISION.

The Appellate Division of the Supreme Court has overruled the decision of Justice Smyth, who had granted an injunction restraining the Hartford Fire Insurance Company from reinsuring the Broadway Insurance Company. Five justices concurred in reversing Justice Smyth, and Justice Patterson alone dissented. The decision also overrules a number of amateur lawyers, who insisted rather vociferously that the Broadway reinsurance was illegal. Justice Williams, who wrote the prevailing opinion, says on the main issue in the case:

It cannot be said as an abstract proposition that the Board of Directors had no legal power to insure the risks of the company, because the amended charter of the company, by Section 8, provided expressly that "this company shall have power to make reinsurance upon any or all of the risks in the taken by this company." If it be claimed that this section did not give the directors power to close up the business of the company, the reply is that this contract of reinsurance did not, in and of itself, close or assume to close the business of the company. It in no way deprived the company of the power to go on and take new business. The contract was evidently made with a view to the dissolution of the corporation, but the dissolution was to be effected, if at all, as the proceedings begun at the time, and if the court refuses to order such dissolution, the corporation will have to go on with its business, which it can do, notwithstanding the contract of reinsurance has been made and fully carried out. There can be no doubt as to the legal power of the directors to make this contract of reinsurance. The only question is whether it was a proper thing to do under the circumstances. The defendants claim that if the proceedings for dissolution were to be commenced, and especially if they were to result in the dissolution of the corporation, it was absolutely necessary in order to protect the company against serious loss in the existing business that the reinsurance should be effected prior to or at the time of the commencement of the proceedings for dissolution, and this claim is supported by the affidavits of several insurance men of large experience. It also appears from the papers that this course has usually been resorted to, and this is uncontradicted. It was the duty of the directors to act as their judgment dictated, for the best interests of all the stockholders, and it was evidently for their interest that the reinsurance should be effected as early as it was. It appears the contract was a favorable one for the Broadway company, and the transfer of the personal property referred to in the contract was a necessary incident to the reinsurance of the risks, and if the reinsurance was properly and discreetly effected, no reasonable objection can be made to the transfer of the personal property referred to. There seems to be no allegation in the complaint of bad faith or fraud on the part of the defendants in making the reinsurance, except the charge that it was "ultra vires." There is nothing in the papers to show bad faith on the part of the defendants, and we do not think there was any warrant for saying the contract was "ultra vires."

In the dissenting opinion Justice Patterson says he thinks the injunction should be maintained, because the acts of the directors of the Broadway company were beyond their power, and were destructive of the business of the company, which they were bound to preserve for the benefit of the stockholders "until a judicial sentence of dissolution is pronounced." The justice also says:

It is further claimed that the authority to reinsure is derived from the second section of the charter of the Broadway Insurance Company, which

charter was granted in the year 1832. Wherever this subject is touched and at whatever point it is taken up it seems to me to be beyond the possibility of contradiction that everything done by the directors of the Broadway Insurance Company under the contract with the Hartford Fire Insurance Company is entirely beyond their powers in view of the claim they make as to the purpose of the contract. No authority whatever was given to these directors to strip the corporation of all its possessions by the provision of section 2 of its charter. The so-called reinsurance of all its risks was by the confession of the defendant directors themselves made in anticipation and for the purpose of discontinuing the business of the corporation to the end that it might be judicially dissolved. The provision as to reinsurance contained in the second section of the charter, considered independently, is to enable the corporation to do business, not to cease doing it.

The provision in the charter of the company authorizing the directors to reinsure all its risks can only by a forced construction be interpreted to mean for the purpose of continuing in business. When a company reinsures all its outstanding risks the obvious cause is an intention to quit the business.

THE MUCH VEXED QUESTION.

We suggest to insurance advertisers who profess to be annoyed by the multiplication of insurance journals that they adopt a schedule for raising insurance papers in as facile a manner as the Universal Mercantile Schedule rates risks. There should be a bureau, with additions and subtractions for merits and deficiencies. Why not? *The Insurance Press.*

What will be the basis of the "basis rate"? The estimate which insurance editors themselves put upon their valuable services, or the true value of such services as recognized by impartial and untrammelled observers? But is the supposed evil simply the "multiplication of insurance journals"? Does not the survival of journals which have outlived their usefulness—the ghost walking of lost character and deceased merit—vex insurance advertisers more than the bloom of youth of the newcomers?

ANOTHER BILL TO BOOM NEW JERSEY INDUSTRIES.

Senator Ellsworth has introduced in the New Jersey Legislature the following bill.

"SECTION 1.—No person, firm, partnership, corporation, or voluntary association shall print or publish in any newspaper, periodical, magazine, pamphlet, or book any portrait or alleged portrait of any person or individual living in this State without first having obtained his or her written consent to such printing or publication.

"SEC. 2.—The printing or publishing of the portrait or alleged portrait of such person or individual without such consent in writing shall be a misdemeanor and shall be punishable by a fine not less than \$1,000, and by imprisonment for not less than one year.

"SEC. 3.—This act shall take effect immediately."

ALTERING THE CIRCLE.

The Indiana Legislature undertook to make easy calculation for the people who have to figure the dimensions of a circle, and a bill was introduced declaring that the ratio of the diameter to the circumference of a circle hereafter should be 1 to 3.2 instead of π to 3.1416. The bill came near passing, and circles in Indiana would have been "flattened at the poles," but common sense resumed sway and it was decided that the style of wearing circles established when the world was created should not be changed. There are law makers plenty of them, however, who are constantly monkeying with the diameter of insurance, thinking that it will not affect the circumference. It cannot be done; there are certain laws as rigid as those of the Medes and Persians which control insurance, and no act of legislature can change them.

Mr. Harry May, General Agent of the Nederland fir Missouri, has appointed Charles Aldrich, of St. Louis, as agent for that city. Mr. Aldrich is a well-known business man, and will no doubt make a good record for himself.

FIDELITY AND CASUALTY INSURANCE.

Without attaching too much importance to a single state of facts, we are constrained to make a comparison of the results which various classes of insurance show in the only state from which we have yet received complete data. We have received from the Hon. George Wurts, Commissioner of Insurance for New Jersey, a summary of the statements of the fidelity and casualty insurance companies doing business in that state in 1896. We have made a compilation of the totals and calculated the ratios of losses to premiums, and present the results as follows:

	Risks Written	Premiums Received	Losses Incurred	Ratio of Losses to Premiums
Accident.....	\$43,143,285	\$91,649	\$24,223	27.22
Employers' liability.....	\$1,661,227	77,640	26,395	34.58
Steam boiler.....	7,905,650	12,978	750	1.41
Fidelity.....	3,248,050	87,175	35,065	40.33
Surety.....	3,704,260	15,060	7	.05
Plate glass.....	1,709,064	44,140	10,110	22.95
Burglary.....	612,675	2,414	53	2.20
Automatic sprinkler.....	13,500	177	—	—
	\$75,058,573	\$372,262	\$68,010	26.49

Accident insurance comprised about 56 per cent. of the aggregate insurance written last year, but the premiums were only about 25 per cent. The ratio of losses incurred to premiums was 27.22 per cent. Employers' liability insurance makes a less favorable showing, and fidelity insurance still worse. In the latter the loss ratio was nearly 41 per cent., and with \$35,000,000 less risks written and \$5,000 less premiums than accident insurance produced, the losses incurred were \$10,000 larger. The loss ratio for employers' liability insurance was 34.58 per cent., and the losses incurred were \$1,600 larger than for accident insurance, while the risks written were only about 25 per cent., and the premiums received only about 80 per cent. of what was shown for that class of insurance. Plate glass insurance makes a better showing than either of the three classes already mentioned, but the volume of business written was much smaller, only about \$1,700,000. The loss ratio is less than 23 per cent. Surety, steam boiler and burglary insurance in the order named were the most favored classes as far as loss ratio is concerned. For surety insurance the loss was only one-twentieth of 1 per cent., for steam boiler less than 1½ per cent., and for burglary only about 2¼ per cent. Automatic sprinkler insurance has not assumed any importance as yet, but the United States Casualty Company managed to get \$177 in premiums out of it in New Jersey and had no loss to pay.

\$32,500 FOR WHAT?

The statement is put out in behalf of the New York Life Insurance Company that the suit of C. W. Moore against that company was settled for only \$32,500. Did the New York Life pay Mr. Moore \$32,500 for nothing, or because that gentleman had a just claim against the company which the latter tried to avoid paying? The company paid that large sum rather than stand a trial in court, just as it paid the late Mr. Beers' \$35,000 a year for life rather than have Mr. Beers take his case to the Court of Appeals.

WHEN DID IT DIE?

Did you notice the last issue of the *Savvy*? It was a good one.—*The Chronicle*.

FAILURES AND FIRES.

Some light is thrown on "the moral hazard" by the statistics of failures prepared by Bradstreet, or rather by the classification of the causes made by that paper. Any such classification at the best must be largely tentative, and only approximately accurate, but the results presented may be taken fairly to represent the relative magnitude of those influences which are at work to defeat the efforts of men to win fortune in the business world. We have made a summary of the failures in 1896, classified by causes, as follows:

	No. of Failures.	Liabilities.	Assets.
Lack of capital.....	4,699	\$50,972,690	\$27,762,645
Disaster.....	4,153	92,223,978	50,561,819
Incompetence.....	1,892	34,335,568	23,212,924
Fraud.....	1,395	13,845,142	5,415,150
Inexperience.....	688	3,839,523	2,152,618
Unwise credit.....	653	9,527,459	5,734,359
Competition.....	550	4,311,328	3,602,668
Failures of others.....	397	22,497,425	13,911,209
Neglect.....	345	2,176,273	1,047,526
Speculation.....	182	10,592,175	5,533,561
Extravagance.....	140	2,698,080	1,462,345
	15,094	\$216,919,441	\$147,796,824

The statistics for 1896 are not much out of line with those of previous years for which a similar record has been kept, and the conclusions to be drawn from the figures above given are supported by the experience of earlier years. It will be observed that "lack of capital," "incompetence," "inexperience" and "neglect" are responsible for more than one half of the total failures. Only 9 per cent. was due to fraud, less than 4 per cent. to competition, and but little more than 1 per cent. for speculation. In figuring on the moral hazard, therefore, underwriters should take into account the financial resources, the experience and the business capacity and habits of those whose property they insure, for it happens that the causes which lead up to failures sometimes take another direction and terminate in fire effects. Carelessness and incapacity are responsible for more disasters than those which are the direct result of intentional wrong doing, but sometimes they induce crime.

RECEIVED WITH THANKS.

The *Standard Fire Insurance Table* published by the Standard Publishing Company of Boston. This publication as usual is the first complete record of fire insurance for the previous year to reach the public eye. It contains the financial condition and business of 218 companies from December 31, 1897, to December 31, 1896. The book is well printed, conveniently arranged, and the best and most comprehensive chart published.

The Insurance World Fire Chart for 1897, published by *Insurance World*. It is well printed, conveniently arranged and substantially bound.

THE BROADWAY-HARTFORD FIGHT ENDED.

As a result of the decision of the Appellate Division of the New York Supreme Court the new management of the Broadway Insurance Company has settled its differences with the Hartford Fire Insurance Company. The reinsurance contract stands and the Hartford Fire retains possession of the business and plant. The Broadway Fire has resumed business *de novo*, and has a surplus of about \$70,000 in addition to its capital of \$200,000.

INSURANCE IN NEW JERSEY.

The summary of the financial condition, on December 31, 1896, of the fire insurance companies authorized to do business in New Jersey, prepared by Insurance Commissioner George Wurts, shows that fire underwriting in that State last year was more profitable than in 1895. The general results for the two years are shown in the following statement:

	1895.	1896.
Risks written.....	\$469,004,691	\$430,547,646
Premiums received.....	4,038,198	4,131,166
Losses paid.....	2,084,515	1,577,133
Losses incurred.....	1,982,716	1,546,236
Average rate of premiums.....	.36	.40
Ratio losses incurred to premiums.....	.48	.40

There was an increase of about \$11,000,000, or about 2½ per cent. in amount of insurance written, and an increase of \$83,000 in premiums received. The average rate of premiums was the same in both years. The losses paid were \$517,000, or nearly 15 per cent. less than in 1895, and the losses incurred were \$78,000 or about 4 per cent. less. The ratio of losses incurred to premiums received was reduced from 48.98 to 46.09 per cent. This loss ratio left a good margin for expenses, dividends and surplus for future years.

OBSERVATIONS.

The *Weekly Underwriter* says that a controlling interest in the Security Trust Company of Philadelphia was in the market last week. Is this not a typographical error for last year? The control has been in the market a good many weeks.

"What has become of that brother of yours who was so active in the last campaign? Is he still waging war on great corporations?"

"He is. He has accepted an agency for an anti-fat remedy."—*Indianapolis Journal*.

Mrs. Tiffin: "Yes, sir, John, you proposed to me that afternoon on the ice."

John: "I thought I must have had a skate."—*Philadelphia North American*.

Insurance Commissioner Merrill of Massachusetts asked for an increase in salary from \$3,500 to \$5,000 and didn't get it. The discussion of the matter must have made the commissioner's ears burn. "The best insurance commissioner in the United States" got more than a prophet's share of compliments.

Mr. Dyer: "Where is the bargain counter?"
The floor-walker: "There are several. What are you looking for?"

"I'm looking for my wife."—*Life*.

The change in the insurance commissionship of Missouri sends Mr. Waddill to the rear and Mr. Orear to the front. Where the insurance interests of the State come in is a matter of conjecture.

The office of the New York Agency of the John Hancock Mutual Life Insurance Company is to be removed to the St. Paul Building, Broadway, corner of Ann Street.

Robert (holding up a long hair): "How's this, old boy? How do you account for that?"

Richard: "Oh, that's all right. One of my wife's."

Robert: "Sorry I spoke, Dick; found it on Charley's shoulder, you know."—*Boston Transcript*.

Mr. Beddall of the Royal makes another jab at "the tailor" in an interview published in the *Weekly Underwriter*. It is no ladies' tailor whom he attacks, so Mr. Beddall should be on his guard.

"And you asked her father for her hand?"

"Yes."

"Was he violent?"

"Very! He said I must be an idiot to think of such a thing."

"What did you reply?"

"I told him that, of course, he knew his own family better than I did, but that I was willing to take my chances."—*Household Words*.

Manager Raso is planting the Magdeburg Fire in various States in the South and West. As the company puts forth its branches in all directions and its trunk increases in girth, the retaliatory policy of the Empire State becomes meaner and smaller by comparison.

A glimmer of light comes from Nebraska. The Senate of that State has rejected the bill to extend the provisions of the valued policy law to personal property. That is an awful blow to the horny handed sons of toil who have antique furniture, grandfathers' clocks, etc., stored away in their garrets and barns, and which they would like to sell on a "full valued" basis.

Daughter: "George says he fears he can't support me in the style I'm accustomed to."

Father: "Marry him, anyhow. I can't keep it up much longer, myself."—*London Figaro*.

A New York special to the *Indicator* says: "It is estimated that the companies over which Payn is to have jurisdiction hold property valued at almost \$1,500,000, and have \$2,000,000 in life policies and \$3,000,000 in fire risks in the Empire State alone." A very modest estimate, indeed. Or is it another naughty mistake of the printer?

"Perhaps you are not aware," said the placid gentleman with the white tie, "that Philadelphia erected more buildings last year than Chicago?" "Dormitories?" asked the fat gentleman with the large diamond and the soft hat.—*Indianapolis Journal*.

The premium receipts in the fire patrol district of New York in the last half of 1896 as reported by Treasurer Lindley Murray of the New York Board of Fire Underwriters were \$4,278,725, or nearly \$96,000 less than in the corresponding period of 1895, an unfavorable but not an unexpected showing.

A bill has been introduced in the New York State Senate to allow town and county co-operative insurance companies to increase the number of assessments each year. It might be in order to amend by substituting the word *male*.

One of the results of giving "President's Cups" to agents for making best records the *Insurance Record* mentions is that "the executives of several competing companies made a rush to steal these successful agents away from the Mutual Life" and in at least one case succeeded. The *Record* remarks: "It's a pretty mean man who having been presented with a silver loving cup for his services by one company immediately sells himself to another." Yes, if he did not *own* the cup.

A brother and the sweetheart of a deceased member of the Royal Arcanum are fighting over the insurance money. Better not fight too long or there may not be anything to fight over. There is a royal precedent for the sweetheart marrying the brother, and jointly enjoying the estate. That is more sensible than fighting in public or in court.

Bostonian: "Why is it that you Chicagoans always say, 'How is things?'"

Chicagoan: "Because we want to know. That's why!"—*Puck*.

The Globe Fire Insurance Company has stepped into the dividend paying list again, paying 3 per cent. on February 26. It cost only \$6,000, and may be considered a cheap advertisement. Before it reinsured five years ago it paid 8 to 10 per cent., but for the last three years paid nothing. President Jameson knows how to send a sprat to catch a whale.

Willie: "Are you the nearest relative I've got, mamma?"

Mother: "Yes, love, and your pa is the closest relative you've got."—*Tu-Bu*.

Retaliation has bobbed up in Pennsylvania, and a bill introduced in the Senate of that State proposes to make the refusal of any State to license a Pennsylvania company on the certificate of the Pennsylvania Insurance Commissioner, the cause of revoking the licenses of all companies of such State doing business in Pennsylvania. That goes New York one better.

"Just thirty-three years ago to-day," said the old soldier, "the top of my head was grazed by a bullet."

"There isn't much grazing there now, is there, grandpa?" was the comment of the youngest grandchild, and as the old gentleman rubbed his bare poll he had to admit the correctness of the assertion.—*Indianapolis Journal*.

The Attorney General of Ohio holds that assessment companies in that State cannot issue certificates promising to pay a stipulated sum at a fixed time during the life of the insured. That should be the rule in every State.

Tommy: "Mother, what is an angel?"

Mother: "An angel is a being that flies."

Tommy: "But, mamma, papa calls my governess an angel."

Mother: "Then, my dear, she is going to fly immediately."—*Chattanooga Times*.

The author of "Tilley's Talks" has lost his suit against the Mutual Life Insurance Company. It is now a case of Tilley stalks. Too bad he made such a mistake, but mistakes are not crimes, and Tilley is a useful man yet.

The patient's symptoms indicated cardiac troubles, and the doctor got out his stethoscope and applied it to his chest to test the action of the heart.

The patient flushed angrily, unbuttoned his vest, and took from his inside pocket a five-dollar bill wrapped in a piece of old paper.

"I think it's carrying things a little too far," he said, "when you doctors go to looking through a man with an X ray to see how much money he has."—*Detroit Free Press*.

A financial paper published an advertisement, reading: "For sale, a year's waste paper, mostly unopened public companies' prospectuses; about 9 cwt.—Address —." About 900 pounds of unopened prospectuses of wasted fragrance on the desert air!! Wonder how much insurance leaflets goes the same way.

MUTUAL FIRE INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$250,000.00
Insurance reserve and all other liabilities	\$40,375.47
Net surplus	\$77,194.59
Total assets	\$1,548,485.15
Losses paid since organization	\$,302,351.58

H. A. LUKYNTHAL, President. AARON CARTER, Vice-President.
W. A. FRANKS, Secretary. H. W. EADES, Assistant Secretary.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.

Bonds Issued for Employes, Administrators, Guardians and Judicial Proceedings.

W. L. TRUMBULL, President.

HENRY D. LINN, Vice-President.

Resident's Posters, New York.

Wm. A. Whitcomb	Henry H. Cook
F. W. Vanderbilt	Wm. B. Kendall
Corbitt & Biss	Wm. Lloyd
H. H. Livingston	John Root
Isaac C. Hill	C. L. Tiffany
Walter W. Johnston	G. S. Tappan
Wm. Nelson Greenwell	Wm. A. Nash
Chauncey M. Depue	Wm. E. Farnes
John E. Seagrave	W. S. Garrison
E. F. Downing	James A. Hayden
Sam. E. Kirtley	John A. McCook
H. D. Lyman	John A. McCall
Henry R. Pratt	Andrew Mills
Wm. L. Trumbull	Jas. Stillman

HOME OFFICE
IN NEW YORK

BOSTONIAN SUPERSEDED.

Statement, December 31, 1896.

ASSETS (including capital, \$2,500,000)	\$3,192,803.70
LIABILITIES (including reserve, \$950,000)	\$35,156.81

1890—1897.

United Firemen's Insurance Co.,

PHILADELPHIA.

Assets, January 1, 1897	\$1,428,021
Surplus to Policy Holders	508,566
Capital	300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS	\$33,402,529.03
NET ASSETS	\$18,444,126.79

The Penn is purely Mutual. Insurance is furnished at exact cost. Its factors—mortality, interest and expenses—have all been highly favorable to this company. All policies are absolutely NON-FORFEITABLE for reserve value, the holder being entitled to "Extension" or "Paid-Up" as may be desired. Its policies are free from technicalities, and become INVOLUNTARILY for any cause after Two years.

EDWARD M. NEEDLES, President.

HARRY F. WRIGHT, Vice-President. JOHN W. HANKE, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. C. LIPPINCOTT, Mgr. of Agencies.
JESSE J. BARRICK, Actuary. H. H. HALLOWELL, Asst. Sec. and Treas.

THE MUTUAL LIFE INSURANCE COMPANY

OF NEW YORK

RICHARD A. MCGURDY, President

Statement for the Year ending December 31st 1896

According to the Standard of the Insurance Department of the State of New York

INCOME	
Received for Premiums	\$39,593,414 80
From all other Sources	10,109,881 07
	\$49,703,295 87
DISBURSEMENTS	
To Policy-holders for Claims by Death	\$12,598,113 39
To Policy-holders for Endowments, Dividends, etc.	12,842,465 11
For all other Accounts	10,761,006 84
	\$36,218,575 14
ASSETS	
United States Bonds and other Securities	\$110,185,062 15
First lien Loans on Bond and Mortgage	71,543,989 56
Loans on Stocks and Bonds	11,061,885 00
Real Estate	22,707,868 08
Cash in Banks and Trust Companies	18,650,390 00
Accrued Interest, Net Deferred Premiums, etc.	6,538,555 08
	\$234,744,145 42
Reserve for Policies and other Liabilities	
	\$98,010,633 72
Surplus	\$29,733,514 70
Insurance and Annuities in force	
	\$918,595,336 45

I have carefully examined the foregoing Statement and find the same to be correct; **Liabilities** calculated by the Insurance Department **CHARLES A. PRELLER, Auditor**

From the Surplus a dividend will be represented as good

Report of the Examining Committee

Office of The Mutual Life Insurance Company of New York

To the Honorable, THE BOARD OF TRUSTEES OF

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

The undersigned, a Committee appointed by your honorable body on the twenty-third day of December, 1896, to examine the Annual Statement of the Company, and to verify the same respectively

REPORT

That, pursuant to the power and authority thereby conferred, the Committee have at various dates between the date of the said statement and the date of this Report attended at the office of the Company, and have been aided by the Treasurer, the Comptroller, the Auditor and the Cashier, together with the respective associates of such officers, and have carefully gone over all the books submitted in the said Statement, and have found the same to be correct. They have examined and counted every certificate of stock, bond and other obligation held by the Company, and compared the price at which the same are listed in said Statement with the market quotations, and find the same not exceeding such quotations—in fact, in many cases below them. They have examined and counted the bonds and mortgages on real property held by the Company, and find the same to be as stated. They have also verified the valuations of the Company's holdings of real estate and have verified the deposits of money in the various banks and trust companies, and have counted the cash on hand held by the Cashier.

And the Committee certify that all the books, papers, accounts and exhibits of this of every description necessary in such examination have been freely submitted to the Committee by the said officers and their assistants, and that the same are accurate, in good order and well kept.

And the Committee further certify that the investments of the Company are of a high order, and that the system and methods adopted by the Company in recording its transactions and caring for the assets are entitled to commendation.

All of which is respectfully submitted

New York, January 25, 1897

ROBERT O'BYRNE
JAMES S. JARVIS
JAMES C. HOLDEN

J. MORRIS HERBICK
CHARLES D. DE RUY JR.
CHARLES R. HENDERSON

BOARD OF TRUSTEES

SAMUEL D. BARNES
KIRKLAND A. MCLEOD
JOHN C. HUGHES
HERMAN C. VAN DYKE
LEWIS MAY
JOSEPH H. HARRIS
ROBERT DUNSTON
GEORGE F. BARNES
LEWIS CLAYTON

FREDERIC CROMWELL
JOHN T. BATES
F. ROBERT NEWELL
S. V. R. L. L. L. L.
CHARLES R. HENDERSON
ROBERT W. FLEMING
J. HENRY HERBICK
W. P. JONES
ROBERT A. GRANVILLE

GEORGE C. HAYES
ANDREW JONES JR.
GEORGE S. HENDERSON
TAMM A. HENDERSON
WILLIAM C. WATSON
WILLIAM R. HENDERSON
JOHN S. JONES
JOHN D. DE RUY JR.
LEWIS T. CLAYTON

ROBERT A. GRANVILLE, Vice-President

WALTER E. GILLETTE, General Manager

ISAAC F. LLOYD, Jr., Vice-President

WILLIAM J. LANTON, Secretary

FREDERIC CROMWELL, Treasurer

JOHN A. FONDA, Assistant Treasurer

WILLIAM P. SANDS, Cashier

EMORY MCCLINTOCK, Auditor

JOHN TAILLOCK, Jr., Assistant Auditor

CHARLES A. PRELLER, Auditor

C. CLIFFORD GRIFFIN, Assistant Auditor

JOHN C. FLEET, Superintendent of Domestic Agencies

EDWARD LYMAN, Short General Solicitor

ELIAS J. MARSH, M.D.

GRANVILLE M. WHITE, M.D.

FRANCIS

GUSTAVUS S. WINSTON, M.D.

ELIAS J. MARSH, M.D.

GRANVILLE M. WHITE, M.D.

FRANCIS

FRANCIS

FRANCIS

FRANCIS

FRANCIS

FRANCIS

FRANCIS

FRANCIS

FRANCIS

FRANCIS

MUTUAL RESERVE

"IT HAS NOT
STRIVEN TO BE
OF THE BEST,
BUT TO BE THE
BEST."

FUND LIFE ASSOCIATION,

(INCORPORATED)

FREDERICK A. BURNHAM, President.

"GOOD WORK at
HONEST COST;
TRUE ECONOMY
AND NOT ITS
SHADOW." . . .

MINIMUM OF EXPENSE.

MAXIMUM OF ACCOMPLISHMENT.

Sixteenth Annual Statement

Covering year ending December 31st, 1896.

INCREASES.

SHOWS

In Cash Income	\$283,195.41
In Invested Assets	273,069.28
In Net Surplus	447,420.64
In New Business Received	15,142,102.00
In Business in Force	16,366,690.00
In Number of Policies in Force	12,571

New Business Received	\$84,167,997.00
New Business Written	73,026,330.00
Total Business in Force	325,026,061.00

DECREASES.

In Expenses of Management	\$162,341.13
In Total Disbursements	268,691.52
In Liabilities	349,642.36

Death Claims Paid since Organization	\$28,825,665.66
Death Claims Paid in 1896	3,967,083.94
Or over \$13,000 for each working day in the year.	

Membership, 120,000.

Assets, \$5,750,000.

Net Surplus, \$4,030,000.

EXPENSES TO EACH \$1,000 AT RISK, LESS THAN 50 PER CENT. THAT OF ITS COMPETITORS.

**Why pay the full Dollar to others for that which you can purchase of
the Mutual Reserve Fund Life Association for Sixty Cents?
No Personal Liability to any Member.**

EXCELLENT POSITIONS OPEN in its Agency Department in every Town, City and State, to experienced,
and successful business men, who will find the

MUTUAL RESERVE THE VERY BEST ASSOCIATION THEY CAN WORK FOR.

Further information supplied by any of the Managers, General or Special Agents in the United States,
Canada, Great Britain or Europe.

Home Office, Mutual Reserve Building, Cor. Broadway and Duane Street, New York.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING RECOMMENDATIVE BUSINESS CONNECTIONS,
MAY APPLY TO THE HEAD OFFICE OR ANY OF THE SOCIETY'S GENERAL AGENTS.Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.Assets, \$1,428,593.70.
Net Surplus, \$333,279.19

The **Guarantors**
LIABILITY-INDemnITY-COMPANY.
OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager,

713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

One of the Leaders amongst the Great Life Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827
Income, - - - 14,158,445
Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well as Industrial business, and offering exceptional advantages to its Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA,


HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

THIRTIETH ANNUAL STATEMENT OF THE Union Central Life Insurance Co. OF CINCINNATI, O.

For the Year Ending December 31, 1896.

ASSETS.	
Cash on hand and in banks.....	\$210,000.00
Real estate, mortgages, loans on real estate.....	\$2,250,000.00
Investments in other real estate.....	\$20,000.00
United States bonds, market value.....	\$1,425,000.00
Preferred stock and loans on policy in force.....	\$22,000.00
Accrued interest and cash dividends.....	\$22,000.00
Net deferred and unexpired premiums.....	\$15,000.00
Interest and rents due and accrued.....	\$25,000.00
Gross assets, December 31, 1896.....	\$16,522,000.00
LIABILITIES.	
Reserve fund at 4 per cent. and all other obligations.....	\$4,820,000.00
Gross surplus 4 per cent. standard.....	\$2,000,180.00
RECEIPTS.	
Premiums.....	\$8,326,175.00
Interest and rents.....	\$90,520.00
	\$8,416,695.00
DISBURSEMENTS.	
Death claims, matured endowments, dividends, and all other payments to policy holders.....	\$1,560,500.00
Outstanding taxes and all other disbursements.....	\$1,000,000.00
POLICY ACCOUNT.	
Total number of policies in force.....	22,000
Total amount insured.....	\$1,425,000.00
Policies issued and revised in 1896-15,100.....	
Issued.....	\$30,187,512.00
GAINS IN 1896.	
Gain in income.....	\$25,000.00
Gain in interest, dividends.....	\$40,000.00
Gain in surplus.....	\$20,000.00
Gain in cash.....	\$20,000.00
Gain in assets.....	\$1,074,572.14
Gain in amount of insurance.....	\$9,617,887.00
Gain in amount of new business written.....	\$2,500,000.00
OFFICERS.	
JOHN M. PATTERSON, President.	
R. C. HEST, Vice President.	
J. M. CLARK, Treasurer.	
W. L. DAVIS, Secretary and Actuary.	
CLARK W. DAVIS, M. D., JOHN L. DAVIS, M. D., Medical Directors.	
HARVEY W. DAVIS, M. D., R. W. TORREY, Assistant Secretary.	



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments.

38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

44, 46 & 48 Cedar Street, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING,

PRESIDENT.

CHAS. S. WHITNEY,

VICE-PRESIDENT.

E. S. SAVAGE,

2D VICE-PRESIDENT.

JOHN NAPIER,

SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co.,

(LIMITED),

OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN,

General Manager, London.

GEORGE MUNROE ENDICOTT,

Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 51 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. GLAVITT, President Central Trust Co., New York.

KENNY THALMANN, of Ladsburg, Thalmann & Co., Bankers, New York.

WILLIAM ALLEN BUTLER, of Butler, Notman, Jaffee & Mynders, Counselors at Law, New York.

F. E. BASOR, Manager.

AD. DOHMEYER, Asst. Manager.

THE Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

January 1, 1896.
Assets, - - - - - \$8,807,899.04
Liabilities, - - - - - 1,507,815.75
Net Surplus, - - - - - \$770,041.94

Trustees in the United States.

DONALD MACRAE, Esq., of Vernalis & Co.

JOHN WELLS & SONS, Esq., of Hill, Fabry & Co.

H. J. FAIRCHILD, Esq., of The H. B. Claflin Co.

EDWARD LITCHFIELD, Manager New York Office.

H. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserves for insurance in force, etc.	4,181,030.12
Net surplus	5,075,806.12
Policy-holders' surplus	2,653,806.12
Gross assets	7,916,836.32

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary. CYRUS PECK, Treasurer.
B. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.
Western Department, REALTY BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.



BONDS OF SURETYSHIP.

The Guarantee Company of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINSON, President and Managing Director.
RHOELA & CORBON, Auditors.

BRANCH OFFICES.

New York: 111 Broadway, D. J. Tompkins, Secretary.
Boston: 46 Central Street, Geo. W. Ingerson, Attorney.
Chicago: 300 N. La Salle, J. B. Foy, Secretary and Attorney.
Philadelphia: 67 Mutual Life Bldg., A. F. Huber, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS AT MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1896.

Assets, - - - -	\$232,141.03
Liabilities, - - - -	189,775.24
Surplus, - - - -	\$42,365.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$7,511,188.81
SURPLUS	246,175.94
LOSSES PAID	7,494,006.86

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust.
Personal Accidents, Plane (Haw), Robber, Elevator,
Employers', Landlords', and Common Carriers' Liability.

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GEORGE F. SEWARD, President.
ROBERT J. HILLAR, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



CALEDONIAN INSURANCE CO.

OF SCOTLAND.

Founded 1805.

"THE OLDEST SCOTTISH INSURANCE OFFICE."

United States Head Office, 27-29 FINE ST., N. Y. CITY

STATEMENT, JANUARY 1st, 1897.

Assets, - - - -	\$2,101,183
Liabilities, - - - -	1,178,861
Net Surplus in the United States, -	\$922,322

CHARLES H. PORT, U. S. Manager. H. A. McKILL, Assistant U. S. Manager.

1850.

1896.

The United States LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty six years of practical life insurance, which has taught it that the sure way won of success in the adoption of good plans of insurance, and the pursuit of a liberal policy towards both the insured and the agent. These essential elements in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are incontestable after two years. They are non-forfeiting, providing generally for either paid up policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its course during the past forty six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. RUFORD, President.
G. F. FRALEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
W. T. STANLEY, Actuary. ARTHUR C. PERCY, Cashier.
JOHN F. MUNN, National Director.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
E. H. PERKINS, Jr., President Importers and Traders National Bank.
JAMES B. PLUM, Leather.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States.

COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GULE, Manager.

J. J. FURCELL, Assistant Manager.

A. M. THORNBURN, Secretary.

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital.....	\$500,000.00
Total cash assets.....	\$10,310.45
All liabilities, including reinsurance reserve.....	\$78,518.16
Net surplus.....	\$5,103.39

ANDREW J. ARMSTRONG, Sec.

GEORGE S. PORTER, Pres.

J. JAY NEWELL, Sec. Local Dept.

HENRY ADAMS, Jr., Vice-Pres.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital.....	\$1,000,000.00
Reserve for unexpired policies.....	1,054,731.21
Reserve for losses under adjustment.....	6,000.14
Reserve for all other claims.....	2,500.46
Net surplus.....	1,059,231.81
Total assets.....	\$2,059,231.81

RUGO SCHUMANN, President.

FR. VON BERNUTH, Vice-President. CHAS. REYKHAYER, Secretary.

GEO. E. EDWARDS, Vice-President. GUNTAY KZER, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - - TORONTO, CANADA.

Incorporated 1851.

Hon. GEORGE A. COX,

J. J. KENNY,

President.

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - -	\$1,636,089.35
Surplus in United States, - - -	547,731.08

HANOVER FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE UNITED STATES.



FOR FIRE INSURANCE.

Assets in United States..... \$7,001,444.71

Net Surplus..... 935,423.54

Writing Large Lines on Desirable Risks.

Applications for Agencies or Information should be addressed

To: Eastern and Middle States:

WILLIAM BELL..... WILLIAM WOOD..... JOSEPH MANAGHAN.

WILLIAM M. BALLARD, Branch Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION ASSURANCE CO., (LIMITED), OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.HAVE YOU
SEEN THE LATEST AND BEST POLICY?
SUBJECT TO THE
INVALUABLE MAINE NON FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS:

Testing

Annual Divi-

dend or

Rescuable

Term.

UNION MUTUAL LIFE

Insurance
Company,Incorporated
1846.Reliable
Agents
Always
Wanted.

FRED F. RICHARDS, President.

ARTHUR L. BATCHELOR, Vice-Pres.

EDMOND D. NEWFIELD, Secy., 1190 American Trust Building,

Address either: 130 Nassau Street, N. Y. City.

1 THURSTON CHASE, Suite, 21 Adams Street, Chicago, Ill.

NEDERLAND Life Insurance Company (Limited), OF AMSTERDAM, HOLLAND.

Established 1858.

SPECIAL FEATURE: Combination Term Policies.

Low Rates. Ample Security.

874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES:

JOHN CHERRY BROWN, of Messrs. Brown, Brown, & Co., Bankers.

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JOHN D. KELLY, Merchant.

JAMES B. POTTER, Merchant.

CHARLES E. WHITTEN, of Messrs. Whithead, Dexter & Osborn, Com-

missioners-at-Law.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, Secretary,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$265,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company
OF NEW YORK.

Chartered 1874

THE OLDEST NEW YORK COM-
PANY IN ITS LINE, AND THE
ONE HAVING THE LARGEST
NET SURPLUS.

January 1, 1897.

ASSETS, \$462,176.22
Capital and Net
Surplus, \$18,876.77

FORREST H. WILSON, President
DANIEL D. WATSON, Vice-President
S. W. BROWN, Secretary
CHAS. F. FORD, Gen. Agent
No. 114 La Salle St., Chicago.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

ESTABLISHED 1861.

THE UNDERWRITERS POLICY (FIRE)

Issued by local agents in all prevalent localities in the United States.

Head Office: 46 Cedar Street, New York.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,

21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company
OF NEW YORK Incorporated 1852.

Cash Capital
\$250,000.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary.



A CRISIS.

M - D - "Don't, boys, don't. Vat for you smash such a good ting? Va all make money."

THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

Vol. II.

NEW YORK, MARCH 16, 1897.

No. 8.

I was up in the top of one of those great linear steel company buildings doing business, and got into the elevator to come down. All at once the elevator stopped and there was some sort of a commotion, and the boy seemed to get very much excited. He threw the door open and said to me, "You must get out." I asked him if there was a fire, and he grew more excited and said, "Get out - get out - get out." He appeared to be very much excited and I asked him, of course, what was the trouble - if there had been an accident. He said, "No, but the president is coming and you must get out." So I got out and had to wait for another trip of the elevator. I saw a very odd-looking gentleman - a very rare man. I have not seen since. It was President McCall who got into the elevator. An ordinary man, such as an ex-governor or a mayor, a millionaire and governor, were not good enough to ride in the elevator with the president of an insurance company - *Coverman Adams, of Columbia, at the banquet of the Finance Life Underwriters' Association.*



ROOM FOR (THE) ONLY ONE.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - - \$2.00 per annum.

European Subscription (postage free), - - - - 2.50 " "

Possible in Advance.

Single copies, - - - - 30 cents.

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W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

THE SECRET AND THE SECRETIVE OFFICIALS ALL OUT.

The combination of ex-preacher and old soldier which brought the Massachusetts Benefit Life Association into existence appears to be broken. Four of the original nine who signed the famous secret compact, and pledged themselves never to reveal the true inwardness of their grabbing of a purely mutual society have projected themselves into space outside of the association. We think they acted wisely, and if it is true that no arrangement has been made with them to exempt them from disgorging any of the expenses they appropriated as the result of their absorption of the association, it was also a wise thing to let them depart.

We believe the Massachusetts Benefit Life Association will be the better for the changes which have occurred in its management. The trouble over the increase in assessments will be less aggravated when the policy holders are assured that as the cost of their insurance increases a ring in the management is not rapidly accumulating fortunes out of the expense fund.

President George A. Litchfield, Vice-Presidents S. P. Hubbard and John C. Rand, and Director Henry B. Pierce, all of them members of the compact combination, have resigned. Mr. John Henry Rolker has been elected President; Carroll D. Wright, Vice-President and Charles H. Bacall, Second Vice-President. The new board of directors consists of Messrs. John Henry Rolker, Hon. Carroll D. Wright, Louis Windmuller, Charles H. Bacall, Everett S. Litchfield, Samuel T. Elliott, Henry M. Billings, George E. Curtis and Hon. Charles S. Hamlin, Assistant Secretary of the U. S. Treasury. Mr. Hamlin will also be counsel for the association.

This is a strong directory, and only two members of it, Messrs. E. S. Litchfield and C. H. Bacall, were in the old board. None of the signers of the secret compact are now in the management. It is to be hoped the association will again see better days.

William A. Simmons, one of the signers of the compact, and who first gave away the secret, has been telling his story to the Massachusetts legislative committee. He has not spared ex-President Litchfield, but seems anxious to let Commissioner Merrill, another of the parties to the instrument of addition, division and silence, down easy. Mr. Merrill never was a fool, either now or 16 years ago.

GOT THE IDEA.

We apologize to the *Argus* for having anticipated its article on "Life Insurance more than an Investment" by two weeks. Had we known that it wanted to use the idea we would have telegraphed it to our contemporary in time for its February issue.

ATTACKED IN OHIO.

Hahn, of Ohio, erstwhile Insurance Superintendent of that State, now in the insurance business—not for his health—and a politician with a string to Mark Hanna, is supposed to be responsible for the action of the Attorney-General in bringing suits against some of the outside insurance companies to prevent them from doing business in Ohio. When Hahn was superintendent he admitted a lot of Lloyds, but his successor ejected them. The Lloyds and Hahn are suspected of having started the machinery to exterminate the regular companies, and they have found their opportunity in the O'Neil law of 1894, which makes it the duty of the Superintendent of Insurance to revoke, for three years, the permission to do business in Ohio of companies which "enter into any compact or combination with any other insurance companies, or shall require their agents to enter into any compact or combination with other insurance agents or companies for the purpose of governing or controlling the rates charged for fire insurance on any property within this State, provided that nothing herein shall prohibit one or more such companies from employing a common agent or agents to supervise and advise of defective structures or suggest improvements to lessen the fire hazard and to advise as to the relative value of risks."

If Hanna's Hahn is in this business, there will be some insurance managers who will believe that Republicans, like Republicans, are ungrateful.

WE THINK SO TOO.

As for Major Merrill, he is either worth more than the salary he is getting now, or he is not worth keeping in the office of Insurance Commissioner of Massachusetts—*Insurance Journal* of Hartford.

NO "LLOYDS" THERE.

It is possible that the Lloyds Plate Glass Company may have suffered through the disrepute into which the honorable name of Lloyds has been temporarily brought by the fraudulent concerns which emblazoned that name on their black flag. If so, it has undeservedly suffered, for neither in method nor in fact is it a Lloyds. It is a stock company possessing a capital of \$250,000, and assets of nearly \$700,000. It has had an honorable career of fourteen years, always able and willing to meet every obligation, and as different from a Lloyds concern such as is now under ban as is virtue from vice. The Lloyds Plate Glass Company is all right, has always been all right, and will always be all right while the present management controls its destiny.

THE MUTUAL RESERVE FUND LIFE ASSOCIATION.

The genius of the late Edward B. Harper created the Mutual Reserve Fund Life Association and the executive ability of Mr. Frederick A. Burnham seems destined to perpetuate it. Even in the hands of an unfriendly critic the report of the Association for the year 1896 and the annual address of its president must be a revelation of unsuspected vigor, of possibilities hitherto not supposed to exist in any system of assessment insurance.

It may be admitted, even by the friends of Mr. Harper, that he had an exaggerated view of the ability of the Mutual Reserve to stem the current of an advancing rate of mortality, without increasing the sail area which carried his ship along. His lamentable death occurred just at the time that he realized that his motive power was not sufficient to prevent the vessel from drifting, and his successor took the helm at the most critical period in the history of the association.

That Mr. Harper would have battled successfully with the obstacles which threatened the Mutual Reserve Association had his life been spared, no one who knew his fertility of resources and his tenacity of purpose, will doubt. Mr. Frederick A. Burnham, although for some time prior to Mr. Harper's death, an active and strong man in the management, was not known to possess the extraordinary qualifications for the very responsible position which he was suddenly called upon to fill. A weak man, a man capable of folly, at the inopportune moment would have wrecked the Mutual Reserve in a very little while. Rocks and shoals about and mutiny aboard must have caused the new helmsman to call into play every faculty of his mind, every resource of his genius. Mr. Burnham unquestionably has surprised every friend and foe of the association. To succeed Mr. Harper and be successful is an accomplishment indeed, and this is Mr. Burnham's record.

It is not unfair to Mr. Harper to say that Mr. Burnham is doing even more than this, that he is succeeding even where Mr. Harper had, in a measure, failed. The present head of the greatest assessment insurance association in the world is gradually demonstrating that it is possible to put that system of insurance on a permanent basis. Five years ago very few who saw any defect in the system at all could see anything ahead except complete and absolute destruction. The reason was the blindness of those who persisted in steering assessment insurance straight toward the rocks, foolishly believing that they could ride over them into safe waters. President Burnham wears no bandage over his eyes. He does not assume that insurance can be sold for less than cost and delivered, but he does believe, and acts upon his belief, that it is possible to supply one form of insurance to people who want that kind at a minimum cost and at a low ratio of expense.

Turning to the report of the association for the year 1896, the first completed year of the administration of Mr. Burnham, there is to be found abundant evidence of the capabilities of the present management. It is only a fair summary of the year's results which Mr. Burnham gives in the following extract from his annual address:

"I have referred elsewhere to the pledge given one year ago of special economy in the management of the Association's affairs—the pledge of 'Good work at lowest cost; true economy and not its shadow.' I present its redemption in the record of the expenses, reduced by one hundred and sixty-two thousand three hundred and forty-one and thirteen one-hundredths (\$162,341.13) dollars, notwithstanding there has been

carried on our books an average of nearly \$20,000,000 more of business; notwithstanding we have but collected and handled nearly \$300,000 more of income; notwithstanding we have been compelled to pay for over \$15,000,000 more of new business. I present it in a reduction of the expense rate per each \$1,000 of insurance from \$5.84 to \$5.04."

The expense rate is remarkably low, less than in many years past, and the more noticeable because the economy was not of the penny wise, pound foolish order. We cannot do better than quote Mr. Burnham himself on that point. It says: "I was not and never shall be willing, for the mere empty plaudits which may follow the show of saving a few dollars in outgo that may well cost thousands in the impairment of efficiency, to permit the progress of the Mutual Reserve Fund Life Association to be interrupted, its hold-up on the foremost place among life insurance organizations to be weakened, its power for good to be rendered doubtful."

That the reduction in the expense ratio has not been at the cost of impaired usefulness or lost rank, the following utterances of President Burnham, regarding last year's business of the association, to be found in his annual address, more clearly set forth:

"The business received by the association in 1896 reached the high-water mark in the matter of number of applications and amount represented. In 1895 the number of applications was 84,046; in 1896, 38,614, or considerably in excess of 100 for each business day of the year. The amount represented in 1895 was \$69,025,895, and in 1896, \$84,107,997, being a gain of \$15,142,102, and being in excess, by several millions, of the amount received in any previous year of the association's existence. As indicating that the record has not been made up by recklessness in the matter of character and quality, I call your attention to the fact that, while on the 31st day of December, 1895, we showed \$3,287,115 of business accepted, postponed and still under investigation, we show to-day \$11,141,667, or nearly 14 per cent. of the total business submitted. This leaves the total business actually written in 1896 at 30,936 policies, amounting to \$73,026,337, as against 23,526 policies, amounting to \$59,738,797 in 1895. Not one dollar of the business included herein was either written or examined after the 31st day of December, 1896.

"The result of the year's operations is that we show policies in force to the number of 118,449, with insurance outstanding to the amount of \$325,026,061, an increase in number of policies of 15,571, and of \$16,366,697 in insurance outstanding."

Accurate measurement of the growth and success of the Mutual Reserve Fund Life Association during the first full year of Mr. Burnham's management is to be had only by a comparison with previous years. We shall compare some of the most important items to be found in the association's annual statement for recent years, and first we show the income and disbursements for the past six years as follows:

Year.	Total Income.	Total Expenses to Members.	Total Expenses of Management.
1891.....	\$1,704,126	\$2,209,109	\$950,750
1892.....	4,097,343	2,709,866	1,008,230
1893.....	4,408,315	2,611,615	1,200,712
1894.....	4,943,719	3,078,787	1,577,242
1895.....	5,175,281	4,095,875	1,755,421
1896.....	5,528,476	3,079,315	1,596,002

The expenses for management last year made a most favorable showing when compared with those of either 1895 or 1894, being \$162,341 less than for 1895 and only \$18,363 more than for 1894, while the total income increased \$83,195 over 1895 and \$914,737 over 1894. The ratio of expense to income was about 27 per cent. in 1891 as against 31 per cent. in each of the years 1895 and 1894, 29 per cent. in 1893, 27 per cent. in 1892 and 26 per cent. in 1891. The members of the association may be congratulated on so excellent a showing following the policy of the present management.

In the following table we show the amount of invested assets, and the balance of net assets or surplus at the close of each of the past six years.

December 31.	Invested Assets.	Surplus.
1891.....	\$1,384,437	\$1,925,491
1892.....	3,695,542	2,863,323
1893.....	3,497,730	3,793,331
1894.....	6,146,141	3,278,179
1895.....	5,977,316	3,584,609
1896.....	4,746,375	4,029,929

It should be mentioned that the association computes the net present value of all policies in force at the close of the year, as renewable term insurance for sixty days, with interest at 4 per cent., and deducts the amount from its net assets to make the surplus shown above. This is a liability not recognized by the insurance department.

The increase in surplus in the last year is the largest reported in any year covered by the table, and is \$141,000 larger than the increase in 1895. The surplus now amounts to nearly a year's assessments, and while a large reserve is not necessary to an assessment association, the existence of such a fund as that held by the Mutual Reserve ought to make the members feel pretty comfortable.

President Burnham, as quoted above, refers to the fact that the association in 1896 did the largest business in its history. This fact is borne out by the following table, which covers the period of the most rapid growth of the company.

	Business Written.	Insurance Policies.	Insurance.
1891....	74,074	\$46,318,955	.....
1892....	155,314	48,646,650	1,240
1893....	251,148	57,748,970	4,814
1894....	244,771	66,478,225	4,123
1895....	223,520	50,731,790	7465
1896....	359,636	73,006,330	7,410

In 1895 the Mutual Reserve was passing through troubled waters. The mistakes of previous years were being rectified, the criticisms of enemies were severe, and the complaints of disgruntled members were vociferous. To "right ship" was the first thing President Burnham found necessary. That was accomplished, and at the same time the new business written was only about 10 per cent. less than in 1894. It has been clear sailing since, and 1896 shows an increase of more than 31 per cent. in the number of policies and of 82 per cent. in amount of insurance written as compared with the previous year.

The important position which the Mutual Reserve Fund Life Association occupies in the insurance field is indicated by the large amount of insurance which it has outstanding. Only a very few of the old line companies are larger in that particular. The record for six years past is as follows:

December 31.	Insurance in Force Policies.	Amount.	Insurance in Force Policies.	Amount.
1890....	59,515	\$167,003,415	.....	.....
1891....	64,079	215,307,910	6,104	\$18,304,475
1892....	72,243	230,471,790	7,663	21,213,000
1893....	82,710	262,067,005	10,374	26,185,275
1894....	99,667	293,346,150	13,351	29,759,041
1895....	107,328	308,629,371	15,911	31,951,205
1896....	118,449	325,026,081	18,571	36,306,690

The growth of the business of the Mutual Reserve has always confounded its critics. In 1894 the increase in insurance in force was nearly \$31,000,000 and in number of policies issued 13,351. That year was a record breaker. The following year, as already explained, was one in which the Mutual Reserve had troubles of its own. Last year was one in which nearly everybody had troubles, and life insurance companies had their share of the legacy of distrust, depression and

agitation. The Mutual Reserve has come through that year with flying colors. An increase in 18,571 in policy holders and of nearly \$16,400,000 in insurance on its books in a year like that of 1896 is an extraordinary exhibit. The President of the Mutual Reserve is to be congratulated on the large results of his labors; the members of the Mutual Reserve are to be congratulated upon the President who is guiding its affairs.

HIS HOSS DIED.

Pennsylvania proposes levying a tax of 2 per cent. on the premiums collected in that State by insurance companies of other States, the money to go toward paying for a new State house, the old one having burned down. A country doctor once billed his patients at the rate of \$2 a visit, his old rate having been \$1. A patient said to him "Why have you doubled your fees, doctor?" "Well, you see my boss died last fall," was the answer. The doctor was making his patients pay for the boss, and Pennsylvania wants to make the insurance companies pay for its State house. It got nearly \$600,000 out of the insurance companies on account of the fire.

PRUDENTIAL APPOINTMENTS.

President Dryden, of the Prudential Insurance Company, announces the following appointments: John K. Gore, Actuary; Frederick H. Johnston, Assistant Actuary; George B. Speer, Superintendent Special Ordinary Agencies. All these several appointments are promotions of deserving men already in the service of the company. Mr. Gore has been connected with the Actuarial Department of the company for about six years, and on January 7, 1896, was appointed assistant actuary. He is a member of the Actuarial Society of America. Mr. Johnston has been connected with the Actuarial Department of the company for nearly three years, and is an Associate of the Institute of Actuaries, England. Mr. Speer has served this company faithfully for about eleven years in various positions, which have brought him into intimate relations with the larger part of our field force.

UNION CENTRAL LIFE INSURANCE COMPANY.

It is a very gratifying report which the Union Central Life Insurance Company makes to its policy holders for the year 1896, and President John M. Pattison well deserves the many compliments the success of his company has brought to him. When a management can declare concerning its company that in a year such as 1896 was, "by far the largest business since its organization thirty years ago was done in every department," there is a decided preponderance of evidence in favor of the managers. The Union Central's 1896 record is 13,186 policies issued, insuring \$30,187,812, an increase over 1895 of \$3,509,806. The amount of insurance in force at the close of the year was \$93,898,215, an increase of \$9,647,937. The gross assets are \$16,519,860, an increase of \$1,974,572. These are all gains which might be expected only in very good times. The company is able to report a surplus, 4 per cent. standard, of \$2,300,180, an increase in the year of \$149,918. The total income of last year was \$4,315,700, an increase of \$355,504. The notable features of the company's statement are the high rate of interest earned on its assets, about 7 per cent., and its low ratio of losses, which last year were only 0.75 per cent. of the mean amount at risk.

INSURANCE MEN AND ACTRESSES.

"A practical result of it (the Ellsworth bill) may be the exclusion of the portraits of insurance men and actresses from the public prints, in view of their well-known reluctance for such display."—*Insurance.*

Life insurance men are probably meant, the other combination being fire insurance and whiskey.

THE THREE GIANTS.

The three largest life insurance companies of the world, which have come to be known as "the three giants"—no explanations required—have given to the public the general results of the last year's operations. The figures published are interesting if true, and are presumably true. That all the companies are trying to maintain the mad pace set for them by themselves years ago will hardly be denied by any one who is familiar with the methods employed by all of them to get business, particularly during the rush season. We are not trying to pick out the worst sinner in the race track style of writing business, nor are we imagining that any one of the three is a saint, though it lift its voice to the heavens in declaring that it is. The most vociferous virtue is sometimes the most perfect adept in beating the devil around the stump, and although the still pig usually stows away the most victuals, it is also the fact that he who cries "stop thief" often carries the most "boodle."

We do not propose comparing the virtues, real or imaginary, alleged or confessed, of the three giants, but we do think a comparison of results as shown by their respective statements will be interesting, perhaps useful. A half decade is not a very long period, but it is astonishing what mighty accomplishment can be crowded into five years. This is especially true of life insurance and of the three companies which are the leaders in that field of enterprise.

We have selected seven points of examination and comparison, the amount of assets, the surplus, the yearly income, the annual receipts of premiums, the annual payments to policy holders, the yearly expenses, and the aggregate insurance in force. On these points we propose to make comparisons between 1891 and 1896 for each of the three companies. We first show the assets of the companies on December 31, 1891 and 1896, and the increase for the five years as follows:

	1891.	1896.	Increase.
Equitable.....	\$13,731,784	\$416,771,947	\$3,143,163
Mutual.....	158,134,744	274,716,145	76,581,401
New York.....	175,947,190	187,176,476	61,229,116

In volume of assets the Mutual leads as it did five years ago, the Equitable is second, and the New York Life third. The Equitable made the largest increase, while the Mutual is second and the New York Life third, the last named \$12,000,000 behind the largest gainer and \$15,000,000 behind the next highest.

The surplus of the respective companies is here shown:

	1891.	1896.	Increase.
Equitable.....	\$21,380,750	\$43,277,179	\$19,896,429
Mutual.....	10,818,367	30,733,314	19,914,947
New York.....	15,141,043	26,557,314	11,416,271

The Equitable holds first place as regards surplus as it did in 1891, but the Mutual, which occupied third place, has displaced the New York Life and is now second. The Mutual gained in surplus within \$982,000 as much as the Equitable, while the increase of the New York Life was \$8,380,000 less than the Equitable gain.

As to annual income the order is, Mutual first, Equitable second, and New York Life third, the Mutual having displaced

the Equitable since 1891. The total income of the companies in each of the years 1891 and 1896 was:

	1891.	1896.	Increase.
Equitable.....	\$30,064,943	\$45,081,058	\$15,016,115
Mutual.....	37,616,234	49,702,695	12,086,461
New York.....	37,834,194	39,139,358	7,305,164

Compared with the year 1891 the income of the Mutual in 1896 increased more than \$12,000,000, or 31 per cent., the New York Life nearly \$7,500,000 or 23 per cent., and the Equitable nearly \$6,000,000, or 16 per cent.

The Mutual again heads the list in the amount of premiums received in 1896, the Equitable, which was first in 1891, now holding second place, the New York following in third position. The premium receipts in each of the years mentioned were:

	1891.	1896.	Increase.
Equitable.....	\$31,126,249	\$46,096,357	\$14,970,108
Mutual.....	39,002,318	50,511,414	11,509,096
New York.....	26,256,275	31,138,076	4,881,801

The Equitable gained about 9 per cent., the New York Life 18 per cent., and the Mutual 31 per cent. The last named received in premiums last year \$3,500,000 more than the Equitable, and nearly \$8,500,000 more than the New York Life.

A comparison of the amount of insurance in force for each company is disturbed slightly by the change made by the Mutual and New York Life in reporting that item, the amount of new insurance not paid for now being eliminated from the totals. The New York Life in making a comparison of its own drops out \$30,000,000 of insurance reported in force in 1891, and thus shows an increase for the five years of \$251,000,000. We do not know how much should be deducted from the figures reported by the other companies in that year, or for the Equitable in 1896. We shall therefore use the figures as they appear in the reports of all the companies for each year. They are as follows:

	1891.	1896.	Increase.
Equitable.....	\$804,894,557	\$915,108,070	\$110,209,513
Mutual.....	675,494,158	918,000,000	242,505,842
New York.....	614,874,713	816,810,648	201,935,935

The Mutual heads the list with the Equitable a close second, and the New York \$91,000,000 behind the leader. The Mutual made the largest gain, New York second, and Equitable third.

No change was made in the relative positions of the three companies as regards the amount paid to policy holders in a single year. The order is Mutual first, Equitable second, New York Life third. The payments to policy holders in 1891 and 1896 were:

	1891.	1896.	Increase.
Equitable.....	\$14,793,666	\$21,937,439	\$7,143,773
Mutual.....	18,753,714	24,413,509	5,659,795
New York.....	18,671,690	18,483,821	1,187,869

The Equitable shows the largest increase in payments to policy holders, exceeding that of the Mutual by about \$462,000, and of the New York Life by \$1,331,000.

The Mutual reports the largest expenses of any of the companies for 1896, while the Equitable is second, and the New York Life a close third. In this regard the Mutual and Equitable have again reversed positions. The expenses are reported by the three companies as follows:

	1891.	1896.	Increase.
Equitable.....	\$8,171,338	\$8,000,983	\$160,355
Mutual.....	7,751,327	10,780,005	3,028,678
New York.....	6,758,599	6,975,334	216,735

The Equitable reports expenses in 1896 slightly less than those for 1891, while the Mutual reports an increase of \$3,429,000, and the New York Life of \$1,128,000.

We shall conclude the comparison by showing the relative rank of each company as indicated by their present condition or record last year, and by the increases in the various items, comparing 1896 with 1895:

	RANK ACCORDING TO			
	Mo. Ins. Co.	Equi. Ins. Co.	New York Ins. Co.	Mo. Ins. Co.
Assets	1	3	2	4
Surplus	1	3	2	4
Income, 1896	1	3	2	4
Premiums, 1896	1	3	2	4
Insurance in force	1	3	2	4
Payments to policy holders	1	3	2	4
Expenses	1	3	2	4

LIGHTS AND SHADOWS OF A GREAT MAN.

Should the idol which liberal advertising has erected for the insurance world to worship, in the end prove to be only baked clay, some of the indiscreet adulators of Mr. John A. McCall will sadly need commiseration on their diet of dirt. As that gentleman's characteristics come to be more widely advertised, eulogy may give place to apology, or discreet silence he substituted for noisy laudation.

It has long been claimed for Mr. McCall, at least ever since he had the spending of other people's money for sounding his own praises, that he was not as other men or other insurance presidents are. Perhaps that is true.

Governor Adams of Colorado has made public declaration of a matter which heretofore had been only privately whispered and ridiculed, and people are inquiring "can this be true." Well, it is true, and has been true for a very long time. The fact went forth that when Mr. McCall wanted to ride in the elevator of the purely mutual New York Life Insurance Company he must have the car to himself. If anybody else was in the elevator, even if the car was part way on its trip, and Mr. McCall made his appearance, the passenger was to be dumped out at the nearest floor, and the transportation of the president of the "only mutual" immediately and exclusively attended to. The small must wait upon the great.

The Celtic gentleman whose duty it is to administer to the elevator comfort of Mr. McCall has seriously performed that duty and frightened innumerable people almost out of their senses when like the fish-half waiter he

—Yelled it through the hall,
"Ye's can't ride up wid John McCall."

The invitation to "get out" has been summarily served upon many a visitor to the New York Life building, even upon the policy holders "who (they think) OWN the company." It is unnecessary to diagnose such a case of inflated pomposity.

To any one in search of more light upon the question of the immaculate character of the McCall administration, the following letter which appears in the *Indicator* of Detroit may be of assistance. We assume that the editor of the *Indicator* knows the writer or he would not have published the letter:

New York City, February 26, 1897.

Editor *The Indicator*, Detroit, Mich.

Dear Sir—I have heard some severe criticisms on the expense of the management of the New York Life Insurance Company. They show new premiums collected \$2,725,934. The commissions on new business, examiners' fees and inspection of risks was but \$3,099,036, while branch office expenses, taxes, advertising and renewal commissions amount to \$4,516,306. The idea is, many people would like a detailed statement of what those expenses consist of, such as, how much were paid officers? This company was at one time called the Home Circle, because it was said that the late president had provided for so many of his relatives. Now, if that was true under the old administration, what are the facts under the new? One brother-in-law is chief inspector of risks, another

brother-in-law is putting up the new building, one son-in-law is superintendent of agencies, a prospective one is manager or assistant manager of an important office, a manager without experience, another manager of a very important office is the man who wrote the old administration out of office. He lived suddenly of journalism and thought he could work life insurance. Of course he could do that with such backing as he had, but the principal thing is the people would like a detailed statement of the expenditures rather than a detailed statement of the assets of this reliable old institution. I believe that assets and the quality of the same have never been doubted. It is pleasant to see the present administration think enough of the investments made by the old to put them forward as a general way, this is the substance of the rumors, and I am informed that there is likely to be an inspection made along these lines by the commission of this state. I don't suppose that any part of this is new to you. * * but I give you the matter for what it may be worth, and think it needs no explanation. With regards, I am,

Yours very truly,
"AN OLD READER."

The *Indicator* gives no satisfactory reply to the inquiries contained in the above communication, nor is it likely that Mr. McCall will voluntarily answer them either. But the side lights are beginning to illuminate the man of many virtues.

MICHIGAN MUTUAL.

President O. R. Looker, of the Michigan Mutual Life Insurance Company, may congratulate himself and his policy holders upon the favorable results of the past year's operations. The company has come through a very bad year in very good shape indeed. It has grown and prospered even while progress generally has been at a stand still and poverty was knocking at most doors. It ends the year with aggregate assets of \$5,411,995, an increase of \$357,013 for the year, and a surplus on 4 per cent. basis, the Michigan standard, of \$419,078, an increase of \$79,882. On the 4½ per cent. basis the surplus is \$661,344.

The income account shows receipts from premiums during the year of \$1,024,123, and for interest and rents \$28,955, a total of \$1,307,079. Of this amount \$574,919 went to policy holders and \$334,556 for expenses, leaving an excess of receipts of \$397,604. The company wrote 3,051 policies for \$4,798,566 last year, and had in force on December 31, 1896, 15,539 policies, insuring \$17,950,681. In the past six years the company has paid to participating policy holders dividends aggregating \$377,044, while their total contributions for premiums were \$2,111,107. The average annual dividend to policy holders in the six years was 17½ per cent., an extraordinary return, and one possible only where wise management directs a company's affairs.

THE TEN COMMANDMENTS IN KANSAS.

A populist bill introduced in the Kansas legislature enacts the ten commandments with the following penalties:

- For "having any other god," \$1,000.
- For "worshipping a graven image," \$1,000 and one year in the penitentiary.
- For "taking the name of the Lord in vain," \$500.
- For "not keeping the Sabbath day," \$500.
- For refusing to "honor thy father and thy mother," \$500 and six months in prison.
- For "committing murder," hanging.
- For "adultery," imprisonment for life.
- For violating the commandments, which say "thou shalt not steal," "thou shalt not bear false witness," "thou shalt not covet," fine or imprisonment, at the discretion of the Court.

The provision for the punishment of lying, stealing and coveting looks like an exemption clause for the benefit of populists.

CONNECTICUT INSURANCE REPORT.

Insurance Commissioner Frederick A. Betts, of Connecticut, has submitted to the Governor his report on fire, marine, fidelity, surety, casualty, steam boiler, plate glass and burglary insurance in that state in 1896. The mere mention of the character of the report suggests the wide ramifications of the insurance principle in the business world. Sixteen companies were admitted to do business in Connecticut last year, four of them foreign. Their combined capital is \$4,057,000. Four other companies have entered since January 1.

Connecticut has 9 stock fire insurance companies of its own, with \$37,748,379 assets and \$9,690,553 surplus, and 17 mutual companies with \$1,795,844 assets and \$1,378,733 surplus. There are 98 other companies, American and foreign, doing business in the state, with aggregate assets of \$304,000,000 and surplus of \$55,600,000.

Comparisons made for the 111 companies which were in business in Connecticut in both the years 1895 and 1896 show that the fixed capital in the United States of those companies was increased about \$60,000 to \$45,451,202, and the assets \$10,000,000 to \$234,353,996. The net surplus as concerns policy holders was increased \$10,700,000 to \$18,765,156, and the surplus to stockholders \$10,500,000 to \$63,599,954. The dividends paid, including balances of remittances abroad by foreign companies, were \$9,665,804, or nearly \$1,000,000 more than in 1895. The surplus increase and the dividends taken together show the earnings of 1896 to have been \$20,199,703, a gain over 1895 of \$1,010,017. The total premium receipts last year were \$125,896,172, a decrease of \$1,948,611 as compared with the previous year. The decrease is accounted for by the increased amount of premiums in course of collection and the average rate of premiums being increased in 1895. The output for losses was \$63,750,804, or about \$4,500,000 less than in 1895, and nearly \$9,000,000 less than in 1894. The expenses were \$41,149,888, or about \$95,000 more than in 1895. The premiums received in Connecticut were \$1,683,407 and the losses incurred \$1,377,187. There was an increase of \$96,879 in premiums and of \$177,853 in losses incurred, the ratio of losses to premiums being increased 4 1/2 per cent. as compared with 1895.

FIRE INSURANCE IN OHIO.

The excess of fire insurance premiums over losses incurred in Ohio last year was \$4,127,000, as against \$2,860,000 in 1895, and the loss ratio was 44.1 per cent. as against 62.9 per cent. Nearly all the underwriters fared well, but had luck hit a few of the mutuals hard. The following summary for the two years has been prepared by the Superintendent of Insurance:

	1896.	1895.	Percentage of losses incurred on Premiums.
Ohio joint stock companies	\$1,228,096.68	\$653,158.45	52.0
Ohio mutual companies	436,418.01	239,550.21	54.9
Joint stock companies, other states	4,301,534.88	2,740,678.05	63.8
Mutual companies, other states	83,302.84	33,506.42	40.3
Foreign companies, U. S. branches	1,710,793.44	2,320,756.12	71.9
Grand aggregate	\$7,763,007.85	\$4,993,730.25	63.2
1896.			
Ohio joint stock companies	\$1,006,756.71	\$508,311.43	50.5
Ohio mutual companies	431,070.97	108,103.42	45.5
Joint stock companies, other states	4,310,057.37	1,802,647.40	42.8
Mutual companies, other states	110,815.45	40,811.18	42.3
Foreign companies, U. S. branches	1,630,400.19	707,506.38	43.4
Grand aggregate	\$7,379,099.59	\$3,361,352.88	44.1

THE MOORE CASE.

H. L. Baker, signing himself as "Attorney N. Y. Life Ins. Co.," has a communication in the *Indicator* denying the statement credited to Mr. Charles W. Moore, of Michigan, that in the settlement of his suit against the New York Life Insurance Company, the company practically came to his terms. Mr. Baker alleges that prior to the beginning of his suit Mr. Moore was offered by the company a considerably larger sum than he obtained in the settlement, but that he refused to accept it. The *Indicator* publishes Mr. Baker's communication to refute our reference to the matter, which was based entirely on what Mr. Moore said. It may be, that if Mr. Moore is not "well satisfied with the result," he may be later.

SIZING HIM UP.

A bright paragraph—Editor Harrell of the *Chronicle*—*Philadelphia Intelligencer*.

PLAYING IN ANOTHER ROLE.

President McCall is starring it out west as a railroad expert. By measuring the ties, bolting the steel rails, and tapping the car wheels, the "expert" will arrive at a correct conclusion as to the value of the railroad securities which his—nominally the policy holders—company holds. If his examination amounts to anything at all it should have been made before the securities were bought instead of after. But the spectacle of John A. McCall posing as a railroad expert is even funnier than his pictorial puffs as a financier. During his six weeks junketing trip he will draw from his "only mutual" nearly \$4,000 as salary, and all his lackeys will rise up and call him blessed. What a cheap thing reputation is when it can be bought with other people's money.

CALIFORNIA'S DEPOSIT BILL.

There seems to be doubt whether the San Francisco Legislature is out for blood or for boodle. A bill has been recommended by the Governor which requires every foreign insurance company doing business in the state to keep a deposit of \$200,000 with the Treasurer of the state, if it has not such deposit in some other state. A number of foreign companies, among which there are Chinese, Japanese, New Zealanders, etc., are fighting the bill, and the principal argument that is to be used against the proposed legislation, it is whispered, is money. A similar bill got its quietus two years ago through ways that were dark and by tricks that were vain, methods not entirely "peculiar" to the heathen of the Orient. And it may be so again.

RECEIVED WITH THANKS.

Connecticut Insurance Report, 1897, Part I. Fire, Marine, Fidelity and Casualty Insurance, kindly sent to us by Insurance Commissioner Frederick A. Betts.

"Fire Insurance in Pennsylvania for Twenty-four Years," published by the *Insurance World*. This is a useful chart, showing premiums, receipts and losses incurred and paid yearly since 1873 by all companies now doing business in the state.

The Argus Insurance Chart for 1897, published by the Rollins Publishing Company. This is a very complete record for ten years of the operations of the fire insurance companies, home and foreign.

A KANSAS DEMAGOGUE.

Webb McNall, one of the most recent demagogic injections into public office, is prostituting his position as Insurance Superintendent of Kansas to as low purposes as did any of his predecessors. He excludes the Mutual Life of New York, the New York Life, and the Connecticut Mutual Life Insurance Companies from the State on the alleged ground that the companies have refused to pay the Hillmon claims. Those claims are nearly twenty years of age. The companies issued policies on the life of John W. Hillmon, who was afterwards reported killed while away from home. The news of his death was telegraphed to Mrs. Hillmon in a message something like this: "John killed accidentally; what shall I do with the male team?"

There were suspicious circumstances connected with the alleged death of Hillmon, and the insurance companies began to investigate. The man said to be Hillmon was taken from his grave and his face photographed. He was subsequently identified by relatives as F. A. Walters of Fort Madison, Iowa. Evidence has been presented that Hillmon was seen alive long after his alleged death, but the insurance companies have not been able to get hold of him. Mrs. Hillmon began suits against the companies about sixteen years ago, and there have been six trials with various results, but without ending the controversy. Another trial is to be had in July, but Superintendent McNall has ordered the companies to quit business in Kansas as the result of their refusal to pay the claims or produce Hillmon. McNall has the power to enforce his decree, as the law confers it upon him. It is a shameless abuse of power nevertheless.

THE FOES OF INSURANCE.

Some time or another the intelligence of the American people may rise in its might and compel politicians to respect private rights. There is enough of it, although at the present time in a state of somnolence, to accomplish the job most effectually. The strain which our republican form of government is subjected to by the ignorant and vicious who control our political machinery would wreck a stronger government if the people sustaining it were of as low an order of intelligence and of morality as many of our laws and the methods of administering would seem to imply. But the people are not dead in ignorance or sin, they simply slumber. When they awake we beside those who are trying to forge fetters for their minds and souls.

This bit of moralizing is forced upon us by the many evidences of rank corruption and of vicious purposes, which the politics of the day afford. Another Fenimore Cooper is needed to write upon "The Ways of the Hour." They are bad ways and dangerous ways.

The nature of the annual legislation and of the perennial administration of law affecting insurance is hopelessly bad. From the king who can do no wrong we have transferred an allegiance to a republic seemingly incapable of doing right. Huxley we believe said that it required a higher standard of morality and intelligence to maintain a republic than any other form of government. If that be true, danger or reformation must be imminent. We conceive it to be the duty of those who are identified with the vast interests of insurance to resist the endeavors of the evil disposed to make it a shuttlecock of their machinations. To oppose force to violence if necessary, to propagate the truth where ignorance prevails, to refute false doctrine with the logic of facts, thus and in no other way can

the enemies of truth and right be turned from their purpose. We are not inclined to pessimism, but in recent years there has certainly been worse insurance legislation and more of it, lower grade supervision of insurance companies, and more evil official interference than ever before, and the tendency is to a worse state of affairs. Shameful and shameless are the methods of many of our legislators and officials when dealing with insurance matters, and yet the policy of insurance people seems to be to cringe, to apologize, and to be thankful that things are no worse. They have only to be grateful long enough and they will have nothing to be thankful for. The leech that cries give, give, will not let go while there is ought to satisfy its appetite, unless he is removed by force.

PHILADELPHIA FIRE INSURANCE.

The city of Philadelphia is very loyal to its home fire insurance companies, although a foreign company, the Royal, heads the list for 1896 as it did in 1895, as to net amount of premiums received during the year. Only five companies received as much as \$100,000, three of them Philadelphia and two foreign companies. Sixteen companies received more than \$50,000 each, eight of them Philadelphia companies, three Connecticut, three New York and two foreign companies. The companies receiving the largest amount of premiums, subject to assessment for the maintenance of the Philadelphia Fire Insurance Patrol, were as follows:

Royal	\$187,714	German American	\$68,919
Fire Association	156,803	Girard	64,433
Pennsylvania	140,319	United Firemen's	64,150
Ins. Co. of N. America	124,468	Delaware	57,165
Lever, & London & Globe	108,079	Aetna (Conn.)	56,100
American (Phil.)	98,855	Phoenix (Conn.)	55,817
Hove (New York)	95,287	Spring Garden	51,977
National (Conn.)	80,150	Agricultural	39,574

The Hartford received \$44,310 and the New York Underwriters \$41,807, which together puts the Hartford eighth in the list of premium getters in Philadelphia last year.

A JOKE DISSECTED.

If the same rule applied to life insurance that applies to insurance against fire, that the company could pay the amount or make good the loss, life insurance companies would save many thousands yearly.—*Philadelphia North American*.

Not by a jugful. A co-insurance clause is what the life insurance companies need. When a man with an annual income of \$2,500 insures his life for \$10,000 he is under-insured at least \$40,000. And yes nine times out of ten he thinks he has made liberal provision for his family.

OBSERVATIONS.

The anti-infantile insurance agitation in the Massachusetts Legislature has received another setback. The Insurance Committee has reported adversely the bill to prevent the insuring of children under seven years of age.

All is not fool that flitters in Kansas legislative halls. The bill requiring foreign life insurance companies to invest 50 per cent. of their net earnings in Kansas in securities of that state, has been beaten in the lower house.

In Norfolk, at a feast given at the end of the harvest, the hosts, thinking to honor one of the principal men, asked him to come and sit at her right hand.

"Thank you, me lady, but if its all the same to you, I'd rather sit opposite this 'ere pudden'."—*Tu-Bu*.

The man who tried to impersonate ex-Superintendent Pierce, and to a lady at that, was a silly impostor. Mr. Pierce is too gallant a gentleman to be counterfeited successfully. If the lady was looking for Mr. Pierce the act was the more despicable.

The United States Casualty Company ought to take out an accident policy, if it can find any company that will accept the risk. "Expert" McCall, who made a careful examination of the company before he went in, has got out, and now Superintendent Payn is making an examination. In the meantime there are either too many candidates for the presidency or not enough.

"Sweetheart," he whispered. He wasn't telling her a thing but the old, old story. Yet he held his audience for hours.—*Detroit Journal*.

The election of the Hon. Thomas L. James as vice-president of the Mutual Reserve Fund Life Association is a strengthening card for that association. What General James puts his hand to never goes backward.

An agent of the Hamburg-Bremen Fire Insurance Company has been running an insurance company of his own. Unfortunately for him he had to commit forgery to do it, and twenty years imprisonment stares him in the face. He had copies of the company's policies printed with the signatures of officers of the company, and disposed of a number to farmers. His scheme was discovered before any risks burned, but his Lloyds venture will land him in prison.

"What do you think of the fighting in Crete?"

"In Crete? I thought the fight was to be in Carson City!"—*Chicago Record*.

Kentucky did not contribute very much to fire underwriters' profits last year. The premium receipts were \$2,581,163, and the losses incurred \$1,930,547, making the loss ratio close to 75 per cent. Compared with 1895 there was a decrease of \$139,000 in premiums, although the risks written increased \$1,000,000, while the losses incurred increased \$550,000.

Mr. W. D. Dean has been appointed General Agent for the Southern Department of the Magdeburg Insurance Company. Manager Razor has displayed his usual acumen in making so wise a selection. The interests of the Magdeburg will not suffer at Mr. Dean's hands.

"I wonder if Adam could have had any poetic talents?"

"Of course not. Poets are born; not made."—*Indianapolis Journal*.

"Prosperity is getting closer," said Mr. Russell Sage yesterday.—*New York Times*. Wonder if Russell has been giving prosperity points.

Even Massachusetts has fallen into the demagogue's net. In a special dispatch from Boston to the *New York Evening Post* we find the following: "The more the insurance laws have been discussed at this session the stronger has grown the feeling in the House that the companies have too great an advantage over the public, and the clearer has the conviction become that the public should be better protected." The protection most needed and least to be had, is the protection that protects against politicians.

"Ah, my poor man," said the benevolent old lady, "I suppose you are often pinched by want and hunger, are you not?" "Yesum; and by de cops."—*Cincinnati Commercial Tribune*.

The absurdity of the bill pending in the Massachusetts legislature to limit the assessments of life insurance companies operating on the assessment plan is equaled only by its wickedness. Such a limitation would put every assessment company into a receiver's hands. The legislature should enact a limitation upon the death rate.

Insurance Superintendent Orear of Missouri is not as backward as his name implies. He has pulled the insurance department out of St. Louis and planted it at Jefferson City where he lives. Fortunate he didn't live at Neosho or Lonestree; he might have made it more uncomfortable for the "cny fellows."

A bill now pending in the New York legislature provides for changing the name of the Mutual Fire Insurance Company to Manhattan Fire Insurance Company. A wise change; "Mutual" has been overdone.

"Blue and Gold" insists vehemently that insurance journals should not publish anything "outside of the science and practice" of insurance, and yet its venerable editor hustles for ads. and statements all the same. Perhaps the rule does not apply to insurance "magazines."

Mr. William Bettie has been appointed insurance commissioner of New Jersey, and from the very favorable notices published concerning him the new commissioner would seem to be far above the average of the men who usually get such positions.

Dr. Slide (who has been away): "Where is Lop-eared Johnson? I haven't seen him since my return."

Alkali Ike: "Lop-eared ain't yere any more."

"Not defunct?"

"Dat's jest what he done—defunct with my boss an' Bill Hockersmith's wife."—*Pack*.

In the discussion of the Ellsworth anti-photograph bill, Senator Guy said that he remembered that in the time of the Tweed ring the cartoons of Thomas Nast had quite as much, if not more influence than anything written or otherwise published. Even in those days there was a certain class of people who called the cartoons nasty.

A gentleman was riding on the outside of a coach in the west of England, when the driver said to him:

"I've had a coin giv me to-day 200 years old. Did you ever see a coin 200 years old?"

"Oh, yes; I have one myself 1,000 years old."

"Ah!" said the driver, "have ye?" and spoke no more during the rest of the journey.

When the coach arrived at its destination the driver turned to the other with an intensely self-satisfied air, and said:

"I told you as we druv' along that I had a coin 200 years old."

"Yes."

"And you said to me as you had one 1,000 years old."

"Yes, so I have."

"That's not true."

"What do you mean by that?"

"What do I mean? Why, it's only 1897 now!"—*Tu-Bit*.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.



Bonds Issued for Employers, Administrators, Guardians and in Judicial Proceedings.

W. L. TRENKLE, President.

HENRY B. LUMAN, Vice-President.

Resident Executives, New York.

Wm. A. Winchell,
F. W. Vanderbilt,
Cornelius N. Bliss,
C. H. Ladd,
Barrett J. Rogers,
Walter M. Johnston,
Wm. Nelson Cromwell,
Thamond H. Deane,
John F. Smiley,
E. F. Henshaw,
James C. Platt,
H. D. Lyman,
Henry B. Place,
Wm. L. Trenchard.

Henry H. Cook,
Wm. B. Knappell,
Wm. David,
Ellis Root,
C. L. Stamp,
G. M. Elliott,
Wm. A. Newell,
Walter S. Foster,
John D. McCall,
James A. Hayden,
John A. McCall,
Andrew Mills,
John Sullivan.

CAPITAL, - - - - - \$7,500,000.

BONDSMEN SUPERVISORS.

Statement, December 31, 1896.

RESERVE FUNDS (including capital, \$7,500,000) - - - - - \$7,112,863.26
LIABILITIES (including reserve, \$6,288,000) - - - - - \$6,190,190.47

1860-1897.

United Firemen's Insurance Co.,

PHILADELPHIA.

Assets, January 1, 1897, - - - - - \$1,426,021
Surplus to Policy Holders, - - - - - 602,568
Capital, - - - - - 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life Insurance Companies of the World!

The Prudential

HAS

Assets, - - - - - \$19,541,827
Income, - - - - - 14,158,445
Surplus, - - - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well as Industrial business, and offering exceptional advantages to its Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA,

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS, - - - - - \$28,465,538.08
NET ASSETS, - - - - - 3,594,136.19

The Penn is purely MUTUAL. Insurance is furnished at exact cost. Its facilities—mortality, interest and expense—have all been highly favorable in this company. All policies are absolutely Non-Forfeiture for reserve value, the latter being applied to "EXTENSION" or to "PAID UP," as may be desired. Its policies are free from technicalities, and become inconvertible for any cause after Two Years.

EDWARD M. NEEDLES, President.

HARRY F. WEST, Vice-President. JOHN W. HAMER, Mgr. Loan Dept.
HENRY C. HEWSON, Sec. and Treas. R. LIPPINCOTT, Mgr. of Accounts.
JOS. J. BARRELL, Asst. Secy. R. H. HALLWELL, Asst. Sec. & Treas.

MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash - - - - - \$200,000.00
Reinsurance reserve and all other liabilities - - - - - \$46,973.47
Net surplus - - - - - \$7,191.09

Total assets - - - - - \$1,048,416.15
Losses paid since organization - - - - - 6,692,387.33

R. A. LUCENTHAL, President. AARON CARTER, Vice President.
W. E. FRANCIS, Secretary. H. W. EADES, Assistant Secretary.

ANNUAL STATEMENT

OF THE

MICHIGAN MUTUAL LIFE INSURANCE CO.,

For the Year ending December 31, 1896.

Received for premiums - - - - - \$1,050,121.92
Received for interest and rent - - - - - 692,360.02
Total income - - - - - \$1,742,481.94

Total death claims - - - - - \$277,191.14
Paid for funeral expenses - - - - - 1,425.09
Paid for medical and hospital expenses - - - - - 825.13
Paid for dividends to policy holders - - - - - 65,000.00
Total paid policy holders - - - - - \$284,441.36
Paid agency expenses, commissions on new business, and for general and collection fees on old business - - - - - 162,086.27
Paid for medical examinations - - - - - 3,201.40
Paid rent, advertising, printing, postage, exchange, can-
sassing, documents, taken and all incidental expenses - - - - - 15,308.57
Paid salaries of officers and clerks - - - - - 36,247.94
Paid for fire insurance and interest on capital - - - - - 49,491.00
Total disbursements - - - - - \$649,475.38

Unsh in bank - - - - - \$141,162.40
First mortgage loans on real estate - - - - - 3,049,947.36
Real estate, including lease office buildings - - - - - 542,528.41
Loans to policy holders, secured by mortgages - - - - - 515,549.80
Agents' balances - - - - - 3,862.84
Bills receivable - - - - - 46,424.19
Interest due and accrued - - - - - 162,796.30
Rent due and accrued - - - - - 4,627.49
Non-redeeming premiums, secured by reserve fund - - - - - 45,000.07
Net deferred premiums, secured by reserve fund - - - - - 39,369.04
Total assets - - - - - \$10,451,530.87

Amount of reserve fund, American funds 1 per cent b. - - - - - \$4,308,006.00
Deposits of policy holders - - - - - 5,000.00
Premiums paid in advance - - - - - 3,271.90
Unpaid dividends - - - - - 3,861.40
Death claims not due - - - - - 11,315.99
Gross surplus, Michigan standard, 1 per cent - - - - - 4,627.49
Total liabilities - - - - - \$10,106,967.29
Gross surplus, American table, 1 per cent - - - - - 901,344.77

Profits found during the year - - - - - 8,000
Amount insured thereby - - - - - \$4,799,306.28
Policies in force December 31, 1896 - - - - - 15,510
Amount insured thereby, including liabilities - - - - - \$1,060,000.00
Total amount paid policy holders since organization - - - - - 5,900,000.00
Total premiums received from participating policy holders paid
in cash - - - - - 3,511,307.00
Average amount dividends to policy holders paid six years - - - - - \$7,044.00
Increase of assets - - - - - \$357,013.63
Increase of surplus on basis of
per cent - - - - - 79,888.70
O. R. LITCHER, President. JAMES H. CUMMINS, Secretary.
J. H. S. S. T. 1st Vice President. C. A. DAVENPORT, M. D. 2nd Vice President.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS,
MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.

The
Guarantors
LIABILITY-INDemnITY-COMPANY
OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

Post Yourself About



Bicycles

Read the new Columbia Catalogue. Handsomest catalogue ever issued. Tells fully of Columbia and Hartford bicycles. Whether you buy the Columbia, the Hartford or any other bicycle, it will give you valuable and desirable information that every cyclist should know. Fully illustrated. Free by calling on any Columbia dealer; by mail from us for one 2-cent stamp.

Columbia
Bicycles

STANDARD OF
THE WORLD

\$100 TO ALL
ALIKE.


Hartfords, \$75, \$60, \$50, \$45

POPE MFG. CO. Hartford, Conn.

Greatest Bicycle Factory in the World. More than
15 Acres of Plant Space.

Branch House or dealer in almost every city and town. If Col-
umbias are not properly represented in your vicinity, let us know.





THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

44, 46 & 48 Cedar Street, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, E. S. SAVAGE,
PRESIDENT. 2D VICE PRESIDENT.
CHAS. S. WHITNEY, JOHN NAPIER,
VICE-PRESIDENT. SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN, General Manager, London. GEORGE MUNROE ENDICOTT, Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. GRANT, President Central Trust Co., New York.
FERNST THALMANN, of Ludwigsburg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Notman, Joline & Myrdens, Commissioners of Law, New York.

P. R. RASOR, Manager. AD. DOHMEYER, Asst. Manager.

THE Lancashire Insurance Company OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - - DIGBY JOHNSON.

Assets, - - -	January 1, 1896.	- - -	\$8,907,899.04
Liabilities, - - -		- - -	1,877,814.70
Net Surplus, - - -		- - -	\$7,700,044.34

Trustees in the United States.
DONALD MACKEY, Sec. of Committee.
CORNELIUS N. BLISS, Esq., of Bliss, Fabry & Co.
H. J. FAIRCHILD, Esq., of The H. R. Chaffin Co.
EDWARD LITTHYIELD, Manager New York Office.
H. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserves for Insurance in force, etc.	4,191,000.19
Net surplus	5,005,000.19
Policyholders' surplus	8,903,000.19
Gross assets	7,516,000.25

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

V. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANSING, Secretary. CYRUS PECK, Treasurer.
R. J. TAYLOR, Manager Loss Department.

J. J. McWALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.
Western Department, 1015 Wabash, Chicago, Ill.

RESPONSIBLE AGENTS WANTED.



BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINSON, President and Managing Director.
RICHARD L. COMMON, Auditors.

BRANCH OFFICES.
New York: 311 Broadway, D. J. Tomblin, Secretary.
Boston: 10 United Street, Geo. W. Greenough, Secretary.
Chicago: Room 40, The Temple, J. R. Foy, Secretary and Attorney.
Philadelphia: 47 Market Lane, A. F. Sinton, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1862.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets,	\$232,141.03
Liabilities,	189,778.24
Surplus,	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$7,511,188.51
SURPLUS	340,179.00
LOSSES PAID	7,494,550.88

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust.
Personal Accidents, Plate Glass, Boiler, Elevator,
Employers', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLMAN, Treas. and Sec.
EDWARD L. HILLMAN, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department,

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



CALEDONIAN INSURANCE CO.

OF SCOTLAND.

Founded 1805.

"THE OLDEST SCOTCH INSURANCE COMPANY."

United States Head Office, 27-29 PINE ST., N. Y. CITY

STATEMENT, JANUARY 1st 1897.

Assets,	\$2,101,180
Liabilities,	1,478,801
Net Surplus in the United States,	\$622,379

CHARLES H. POST, U. S. Manager. N. A. MCKEL, Assistant U. S. Manager.

1850.

1896.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty-six years of practical life insurance, which has taught it that the sure way now of success is the selection of good plans of insurance, and the pursuit of a liberal policy towards both its insured and its agents. These essentials it possesses in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are irrevocable after two years. They are non-forfeiting, providing generally for either payment of policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its course during the past forty-six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 281 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
C. P. FRALEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANBURN, Asst. Sec'y. ARTHUR C. PERRY, Cashier.
JOHN F. MUNN, Medical Director.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
F. B. PERKINS, Jr., President Importers' and Traders' National Bank.
JAMES B. PLUM, Leather.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,

COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. PURCELL, Assistant Manager.

A. M. THORBURN, Secretary.

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital	\$300,000.00
Total cash assets	610,316.45
All liabilities, including reinsurance reserve	378,213.10
Net surplus	\$21,093.39

ANDREW J. ARMSTRONG, Sec.

GEORGE W. PORTER, Pres.

J. JAY NICHOL, Sec. Local Dept.

HENRY ADAMS, Jr., Vice-Pres.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital	\$1,000,000.00
Reserve for unearned premiums	1,374,623.31
Reserve for losses under adjustment	67,863.41
Reserve for all other claims	29,549.46
Net surplus	1,272,036.18

Total assets,

HUGO SCHUMANN, President.
FR. VON BERNSTORF, Vice President. CHAS. RUYKHAYER, Secretary.
GEO. B. EDWARDS, Vice President. GUSTAV KÖHN, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

HON. GEORGE A. COX,

J. J. KENNY,

President.

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - -	\$1,636,689.35
Surplus in United States, - - -	547,731.08

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE UNITED STATES.



FOR FIRE INSURANCE.

Assets in United States, - - - - - \$1,001,004.71
Net Surplus, - - - - - 109,428.84

Writing Large Lines on Desirable Locations.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM HELL, WILLIAM WARD, JOHN MANASSA.

WILLIAM M. BALLARD, Branch Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION ASSURANCE CO., (LIMITED) OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

HAVE YOU
SEEN THE LATEST AND BEST POLICY?
SUBJECT TO THE
INVALUABLE MAINE NON FORTFEITURE LAW

And Contains all Up-to-date Features.

PLANS: **UNION** Incorporated 1858.
Territorial **MUTUAL** Reliable
Annual Divi- Agents
dend or Always
Renewable **LIFE** Insurance
Term. Company. Wanted.

PORTLAND, MAINE.

FRED F. RICHARDS, President
ARTHUR L. BATES, Vice-Pres.
LEONARD B. SCOTT, Sec'y, 100 American Trust Building,
Address either 500 Nassau Street, N. Y. City
or THURSTON CHASE, Sec'y, 4 Adams Street, Chicago, Ill.

NEDERLAND Life Insurance Company (Limited), OF AMSTERDAM, HOLLAND. Established 1858.

SPECIAL FEATURE: Combination Term Policies.
Low Rates. Ample Security.
874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.

JOHN CROSBY BROWN, of Boston, Treas. and Sec. of the Board.
AMOS T. FRENCH, Vice-President of the Metropolitan Trust Co.
JOHN D. KIRLEY, Montreal.
JAMES B. POTTER, Montreal.
CHARLES F. WHITEHEAD, of Boston, Whitehead, Foster & Osborn, Coun-
sellors-at-law.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED,
KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000. SURPLUS to Policyholders, \$283,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company
OF NEW YORK
Chartered 1864

THE OLDEST NEW YORK COM-
PANY IN ITS LINE, AND THE
ONE HAVING THE LARGEST
NET SURPLUS.

(January 1, 1892)
Assets, = \$462,179.22
Capital and Net
Surplus, = 316,875.77
FREDERICK H. WOODS, President
DAVID D. WATKINS, V. President
S. W. BUTLER, Secy.
CARR. F. FROST, Gen. Agent,
No. 114 La Salle St., Chicago.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

ESTABLISHED 1866.

THE UNDERWRITERS POLICY (FIRE)

Issued by local agents in all prominent localities in the United States.

Head Office: 46 Cedar Street, New York.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company
OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company
OF NEW YORK

Cash Capital
\$250,000. Incorporated
1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary.



INCREASED ACTIVITY AMONG THE "ACTIVE MEMBERS."

The association is a private corporation consisting of active members, who claim to be of the same opinion as to have the absolute control and disposition of the large sums raised by the member assessments, without any accountability to the certificate holders as to the application of this enormous fund. - Report of recent census for the Massachusetts Benefit Association.

THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, APRIL 1, 1897.

No. 9.

PRESIDENT McCALL WILL WRITE THEM.

Dear Sir: I am advised by our policy department that we have just issued a policy on your life, and I hasten to welcome you as a prospective member. * * * It goes without saying that you must consider yourself at liberty to address me or any officer of the company at any time regarding any question that may be of interest to you in connection with the company or your policy, or to face any question regarding the question of life insurance. * * * I remain, very sincerely yours,
JOHN A. McCALL,
President.

"FAIRLY AND
EQUITABLY
TREATED"



THE POLITE LETTER WRITER

Writes 54,000 letters a year, or 176 a day, to policy holders to let them know that they may consider themselves "at liberty to address ME."

N. B.—Who is a member a "prospective member?"

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED WEEKLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$2.00 per annum.

European Subscription (postage free), - - - 2.50 " "

Paid in Advance.

Single copies, - - - 30 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - MANAGER.

JOHN S. HANSON, Editor.

THE ONE TOWN IDEA.

That a widespread misapprehension exists regarding the scope and character of fire insurance indemnity is apparent to anyone who takes the trouble to interview even intelligent men on the subject. It is a peculiar phase of the matter that the delusion exists, not so much as concerning the individual relation with insurance as it does in reference to certain alleged community rights. It would certainly be odd, because unusual, to hear a man berating an insurance company for collecting a premium from him this year because he paid one last year and his property did not burn down. A few men may be so utterly deficient in that mental equipment, which we call business sense, as to take such a view, but men do not usually reason in this way when they are considering their own personal relations with fire underwriters. Take the same people, however, and assemble them in mass meeting or convention to denounce the wrongs inflicted upon them by insurance companies, and how madly they talk upon the very subject with which their own experience ought to have made them reasonably sane.

The discussion and the resolutions solemnly adopted, are all of one tenor, something in this strain: The town of A B has been paying \$100,000 a year for insurance. In the past three years there have been only a dozen fires causing a loss to the companies of only \$50,000. In three years the companies have pocketed \$250,000 of our town's people's good money, and we have nothing to show for it. It is true that B C, right next to us, had a \$500,000 fire last year, and the insurance companies lost ten years' premiums in one lick, but what has that to do with A B? Let the insurance companies collect their premiums from the towns which have fires. Resolved, that the extortion of the insurance companies should be prevented by law, etc., etc.

What folly, what fallacy of reasoning lies in such logic. Substitute the man for the town and how plain the fallacy stands forth. If A B, the individual whose property does not

burn, is to pay no premium, how is the individual B C, whose property is destroyed, to obtain indemnity? Mr. A B has no personal interest in Mr. B C, any more than the respective towns have in each other, but there is a chance or risk of fire common to both; no one can tell beforehand which man or which town will draw the fatal straw. That neither shall lose all, both agree to lose a part, a partnership is formed to carry the risk of fire loss, and the damage from fire becomes a partnership obligation.

The insurance company serves as a medium for distributing losses. The elementary principle of insurance is that the fortunate shall contribute to help the unfortunate; it is the same principle which is embodied in the idea of fraternalism, and which is the foundation of the Christian religion. If the unfortunate could aid themselves the fortunate might retire in their shells, ignore the needs of their fellow men, and violate no law of nature or of morals. If the owners of property destroyed by fire could indemnify themselves, each for himself, they would not need to call into operation the machinery especially devised for supplying indemnity through contribution.

THE MODESTY OF MERIT.

We believe we violate no confidence in relating a portion of a conversation which a representative of this paper recently had with an insurance journalist of considerable distinction. The talk had turned upon the personal characteristics of certain insurance managers of prominence, and the newspaper man related an incident in his experience. He had prepared an article concerning a leading life insurance company, and to complete it had called upon the president of the company for certain information. The president after reading the article and finding a complimentary reference to himself in it, asked as a favor that all personal allusions to him should be eliminated. He stated that he had no objections to seeing his company favorably mentioned in print, but anything laudatory of himself or of his acts was extremely distasteful to him. Out of respect for the modesty of that insurance president we refrain from disclosing his identity, but it will require no painstaking research to dig out the name of the insurance president who is absolutely incapable of making such a request. It is the distinction of most of the presidents of insurance companies that they wear their honors modestly, and hide their individuality under the vast achievements of the companies they manage. All honor to such men.

POSTS.

Rough Rider asserts that "Hatch has set to music a new composition inscribed to Hewitt; its title is 'There's only one Post in the world for me.'" Right. One post per man is sufficient. If they all prove as staunch as Hewitt's, nobody else will get a lien upon them.—*The Insurance Press*. There are posts and posts, some more useful than others, none perhaps entirely useless.

NEW YORK SURETY COMPANY.

The Legal Surety Company has ended the controversy over its name by selecting a better one, and it will hereafter be known as the New York Surety Company. It filed a certificate of change of name with the Secretary of State at Albany on March 29th, and now the company will go ahead and make a place as well as a name for itself.

An examination of the ratios of increase in insurance in force to the amount of new business written in each year discloses the fact that matters have been going from bad to worse in the last few years. In 1891 the companies reported an increase in business in force equal to 36.1 per cent. of the amount of business written in that year, and in 1893 to 31.9 per cent. In 1894 the ratio fell to 13.7 per cent., in 1895 it was only 14.5 per cent., and in 1896 only 16.7 per cent.

Could we show the amount of old business written prior to 1891 still retained on the books of the company, the transient character of the new business would be made more painfully apparent. If the total increase in the last three years is only 5 per cent. of the business written in that time, which is the fact, what a small proportion of the new business written in 1894 and 1895 must now be in force.

It may be safely assumed that a considerable portion of the insurance written in 1896, say \$400,000,000 at least, was on the books of the companies at the close of that year. That is more than the total increase in amount in force in the past three years. The old saying that it is easy to make money but hard to save it seems to apply to insurance companies, which find it easy enough to get business but hard to keep it after they get it.

The three companies which because of their size have come to be classed by themselves, the Mutual Life, the Equitable and the New York Life, have been less successful in retaining their new business than have the smaller companies. The three companies named wrote in the past five years \$2,590,000,000 of new business, but show an increase in insurance in force of only \$545,000,000, while the other twelve companies wrote \$1,350,000,000 and now have \$371,000,000 more in force than in 1891. The former gained 21 per cent. of the business written, the latter 27 per cent. The individual ratios are shown as follows:

RATIO OF INCREASE OF BUSINESS IN FORCE TO AMOUNT OF NEW BUSINESS WRITTEN IN FIVE YEARS.

Per cent.	Per cent.
President Life & Trust..... 35.6	Prud. Mut. 25.0
Northwestern 34.3	New York Life..... 24.4
Massachusetts Mutual..... 31.6	New England Mutual..... 22.9
Union Central..... 29.9	Farm Life..... 18.9
National Vermont..... 29.2	Equitable..... 13.1
Travelers..... 29.1	Provident Savings..... 9.5
Mutual Benefit..... 27.0	Connecticut Mutual..... 4.3
Mutual Life..... 25.3	

Only three of the companies in the above list increased their insurance in force in the past five years as much as 30 per cent., two of them more than 38 per cent., while two companies gained less than 10 per cent., one of them only about 4 per cent.

With the exception of the Northwestern, which wrote an average of nearly \$57,000,000 a year, the seven companies reporting the largest ratios of gain wrote only from \$14,000,000 to \$31,000,000 a year each. On the other hand the company reporting the smallest ratio of increase, the Connecticut Mutual, wrote the smallest aggregate of new business of any of the companies in the entire list. The Connecticut Mutual, however, is *sui generis*, and its experience does not count either way. With the fourth largest company showing the next to the highest ratio of gain, and some of the smallest companies showing the smallest ratios, the only conclusion to be drawn from the comparisons is that it is entirely a question of management, and that some companies know better than others how to get a firm grip on the business they write.

Another comparison, based on the amount of insurance in force at the beginning of the five year period, is now presented:

RATIO OF INCREASE OF BUSINESS IN FORCE TO AMOUNT IN FORCE ON DECEMBER 31, 1891.

Per cent.	Per cent.
Union Central..... 61.9	Prud. Mut. 29.7
Massachusetts Mutual..... 48.0	Mutual Benefit..... 22.6
Travelers..... 47.8	North Life..... 15.6
National Vermont..... 41.1	Provident Savings..... 15.1
Northwestern Mutual..... 39.4	New England Mutual..... 14.5
New York Life..... 34.5	Equitable..... 13.7
Mutual Life..... 31.0	Connecticut Mutual..... 1.3
Provident Life & Trust..... 31.7	

An examination of the standing of the companies five years ago, in connection with the above exhibit, will show that the race is not always to the companies starting with the largest aggregate business. The company heading the list with an increase of nearly 64 per cent. in insurance in force in the last five years, the Union Central, in 1891 was next to the last in the volume of business on its books, while the four companies showing the largest percentages of increase were the four tail enders as regards insurance in force five years ago. The Northwestern, the fourth in size, is fifth in rank, as to increase, with two of the "giants" following sixth and seventh respectively. The four smallest companies with the Northwestern in both the comparisons carry off the principal honors, and it may be that they can explain how they succeeded in retaining from 30 to 40 per cent. of their new business and in increasing their insurance in force from 40 to 60 per cent., while their competitors failed to do as well.

Had all the companies increased their insurance in force in the same ratio to new business written as did the Provident Life & Trust or the Northwestern, there would be \$100,000,000 more insurance on the books of the companies than there is at the present time; or, had all increased their insurance in force in five years, in the same ratio as did the Union Central, instead of the aggregate being \$4,356,000,000, it would now be \$5,600,000,000.

The ephemeral character of life insurance, as "she is wrote," is perhaps best indicated in the statement of the proposition that the entire business of the fifteen companies now in force amounts to no more than they have written in about five years and six months. The business written in five years aggregated, as already shown, \$3,940,000,000. The business now in force was shown to be \$4,356,000,000 or only \$416,000,000 more than the amount written in the five years. During that period the companies wrote an average of nearly \$66,000,000 per month. Taking that average as the basis, the excess of \$416,000,000 of insurance in force represents only about six and one-third months' writing. Applying the same test to the business of the individual companies, the following results are shown:

Insurance in force over or under amount written in 5 years.	Equivalent to amt. written in
Mutual.....over \$39,081,524	5 years 3 months.
Equitable....." 71,387,894	5 " 6 "
New York Life....." 40,594,110	5 " 9 "
Northwestern....." 100,790,291	6 " 9 "
Mutual Benefit....." 71,013,993	7 " 4 "
Connecticut Mutual....." 102,278,348	14 " 1 "
Farm Life....." 35,729,275	6 " 8 "
Prud. Mut." 11,067,004	5 " 5 "
Provident Life & Trust....." 42,513,815	8 " 0 "
Massachusetts Mutual....." 4,315,382	5 " 0 "
New England Mutual....." 44,771,917	9 " 2 "
Union Central....." 28,594,415	3 " 10 "
Travelers....." 2,700,987	4 " 10 "
Provident Savings....." 29,347,823	3 " 8 "
National Vermont.....over 289,089	5 " 0 "

In such a comparison as the above the advantage lies with the company which starts with a large amount of insurance in force and subsequently writes a small volume of new business, the losses occurring mostly in the ranks of the last written policy holders. This is indicated in the fact that three companies whose business in force represents the longest periods of writing, were the smallest business getters during the five years. At the rate the Connecticut Mutual has been writing since 1891, it would take it more than fourteen years to write as much business as it had in force on December 31, 1891, while the Mutual Life wrote in four years more than it had on its books on that date.

Viewed from whatever standpoint one may take, the question how a company may keep its business after it gets it, is a vital one. We have not entered into a discussion of the cost of getting business, but the fact that new business does cost more than the company gets for it, makes the premature termination of so large a bulk of the insurance written the more to be deplored. It is a safe estimate that it takes three years for a policy to wipe out the loss a company sustains in writing; what then must be the effect upon a business which shows an average age of only about five and a half years?

The level premium company has nothing to fear from the increasing age of its policy holders, the premium rates are well within the danger line, but they are suffering a greater drain from mortality by lapses than the assessment companies are from mortality by death. We do not believe it is necessary for insurance companies to write less insurance in order to keep more, but a part of the energy and the talent employed in writing could be more profitably employed in developing the idea among insuring people that once a policy holder always a policy holder should be their belief and practice.

ALL OVERBOARD.

The reorganization of the Massachusetts Benefit Life has not yet been completed. The resignations of the old compact quartette did not satisfy anybody, and others have followed. Out of the nine directors recently named there are now left only four. These are the five who have resigned since the board was reconstituted: Charles H. Bical, Everett S. Litchfield, Samuel T. Elliott, Henry M. Hollings and George E. Curtis. There is now not a single member of the old board in the directory. The effort to force the special commission of investigation out of office has failed. The commission, it is announced, will proceed to name a board of directors which will command the confidence of the policy holders. It is well.

PROTECTING INSURANCE SWINDLERS.

The life insurance swindler seems to divide honors with the lover in winning the love of the world. The pardon granted by Governor Russell of North Carolina to Dr. T. B. Delamar, one of the Beaufort insurance swindlers is as inexplicable as the recommendations signed by government and state officials, judges and private people of good repute. Public sentiment in the neighborhood where the swindlers plied their trade was so favorable that in order to obtain convictions the state had to get a change of venue to another county. Now a man whose crimes, were cumulative sentence permissible, would have consigned him to prison for 150 years, is let off with only a few months' incarceration. The only reason given for the pardon is that the doctor was not feeling very well.

WHAT ARE NYLIC CONTRACTS WORTH?

When the managers of the New York Life, through their counsel, appeared before the Supreme Court of New York last month and asked that the suit of Dr. S. H. Carney be dismissed, they resorted to an expedient to accomplish their purpose which has placed them in an awkward position. To sustain his plea for dismissal, Lawyer Hornblower cited the opinion of Justice Van Brunt in the Beers case, to the effect that the trustees of the company had no legal power to make a perpetual contract with any employee. By this action the managers of the company virtually adopted Justice Van Brunt's opinion as their own. Whether they believe the opinion good law or not, they have displayed their disposition to use it when they desire to defeat a claim which is based on a perpetual contract.

Now in view of this position which the managers of the company have assumed, I desire to warn my readers against being misled by the selective attractions which that unique organization known as the Nylic presents. I have always regarded the Nylic as an illegal affair. Some of you, possibly, may be members of this symbolic association, and are looking forward to the happy time when you will have passed the lower degrees and graduated into a "senior Nylic." Let us see what is promised by the companies to the agents of this high degree:

Senior Nylics shall receive as long as they live, provided only they shall not enter the service of any other life insurance company, monthly payments equal to seventy-five cents a thousand on an amount of business equal to the average between the smallest year in each five year period covering the twenty years of service.

I have italicized the words to which I especially desire to call your attention. You are promised by this a perpetual life contract. Justice Van Brunt has delivered a legal opinion adverse to such contracts, and Justice Van Brunt is considered to be quite a good authority on law points. The counsel of the New York Life has used this opinion effectively in the case of one claimant under a life contract; what is there to prevent his using it in the future? Do you yearn now to be a "senior Nylic?" If you do, then you may sing the following verse to the tune which will be suggested to you:

I want to be a Nylic
And with the Nylics stand;
I want to get a pension
As a member of the band.

And then when I'm a "senior,"
How easy I will sing;
But I don't want any lawyer
To knock me out of court.

—Chicago Independent.

AMERICAN UNION.

Vice-President Whitney of the American Union has consummated a contract with Mr. Ulysses G. Stockwell, as superintendent of agents for New York State outside of New York City and Brooklyn. Mr. Stockwell is the late representative of the Nederland Life for New York State. He is known as one of the most, if not the most, successful life insurance underwriters in the State of New York. He brings with him to the American Union a large corps of able associates.

The following agency contracts have recently been made by the American Union: W. S. Richardson, Atlanta, Ga., State of Georgia; Smith W. Brumley, Amsterdam, N. Y.; Charles Wenzell, Troy, N. Y.; Alfred L. Certland, Poughkeepsie, N. Y.; Gao H. Mills, Goshen, N. Y.; Charles W. Bennett, Newburg, N. Y.; George B. Lyons, Chicago, Ill.; John H. Bule, Delaware, Ohio; Charles V. Decker, Kingston, N. Y.; E. M. Pavey, Mount Vernon, Ill.; Thos. Posey, Henderson, Ky.

VICE-PRESIDENT JAMES F. DUDLEY DEAD.

Twice in the past few years have the official ranks of the Fina Fire Insurance Company of Hartford been entered by death, and a shining mark been obliterated before anyone had warning of the approach of the impending gleamer. It is but little more than three years since Vice-President Bayne died suddenly and unexpectedly while away from home. Vice-President James F. Dudley, his successor, has now been called hence. The news of his death on March 19 came as a terrible shock to his co-laborers in the Fina. He had left Hartford only a short time before, had reached New Orleans and apparently was in the best of health as he was in the best of spirits. Without any warning whatever he was stricken down with apoplexy, dying instantly. Mr. Dudley's death is a sad loss to the Fins. He was a most worthy gentleman, admirably adapted by nature and training to the responsible requirements of his position, and a faithful ally and colleague of President Clark.

The directors of the company met on March 22 and adopted the following minutes regarding Mr. Dudley's death:

"Mr. Dudley entered upon his duties as special agent of this company in September, 1873, covering the State of Pennsylvania, and later on removing in Albany and occupying the Eastern New York field. After serving the company in this capacity for nearly ten years, with marked fidelity and ability, and being, as he said, 'tired of traveling and the separation from his family, necessitated by the nature of his duties,' he severed his connection with the Fina and accepted the position of assistant manager of the North British & Mercantile Insurance Company in January, 1885. On the demise of the late President Hewitt he was recalled to this company and elected assistant secretary September 26, 1888, promoted to the secretaryship December 7, 1892, on the demise of President Goodnow, and on the 18th of December, 1894, elected a director and vice-president, succeeding Captain A. C. Bayne, deceased."

"These are material facts, showing in some measure how he was appreciated, but giving little insight to his character as exemplified to those in daily and close relationship. He was an unusually competent underwriter, a student in the business, whose opinions and counsels were sought, an excellent executive, a true friend of the many, of high Christian character, a loved and trusted associate, public-spirited, and most loyal devoted to the welfare of this company. We deeply deplore his death and most sincerely record our appreciation of his ability, integrity and usefulness as a member of this board and executive of this company."

"To his bereaved wife and daughter and other relatives, we extend our most heartfelt sympathy."

"Attest.

W. H. KING, Secretary."

LIFE INSURANCE IN OHIO.

Superintendent Matthews, of the Ohio Insurance Department, has favored us with a preliminary statement of the Ohio business of the life insurance companies in 1896. The statement shows \$67,405,210 of insurance written by 40 companies, including the industrial business of the Metropolitan, the Prudential and the Western and Southern of Cincinnati. These was \$53,609,577 of insurance terminated, leaving a net increase in insurance in force of \$13,795,633. The Metropolitan wrote the largest amount of insurance in Ohio last year, \$13,189,311; the Prudential following with \$9,927,244. The Mutual of New York leads its class with \$5,811,313; then follow the Union Central, \$4,276,244; the Northwestern Mutual, \$4,183,575; the New York Life, \$4,148,206; and the Equitable, \$3,498,912. The largest increases in insurance in force are: Metropolitan, \$3,225,160; Northwestern Mutual, \$2,525,289; New York Life, \$2,505,023; and Prudential, \$1,377,307. The Mutual Life had a decrease of \$540,213.

The total premiums received were \$11,218,033. The Mutual Life received \$1,509,335; Metropolitan, \$1,225,771; Northwestern Mutual, \$1,088,476; New York Life, \$933,941; Union Central, \$916,001; Equitable, \$833,599; Mutual

Benefit of Newark, \$661,371; and Prudential, \$650,360. The losses incurred aggregated \$4,719,192. The Mutual Life paying \$666,440, the Equitable \$429,673, New York Life \$413,549, Metropolitan \$389,500, Mutual Benefit \$370,625, and Northwestern Mutual \$324,207.

TAKING MONEY OUT OF TEXAS.

The fabulous profits which life underwriters are constantly making (in the minds of non-fire underwriters) furnish many a text for anti-trust distributers. Some literature on the subject has come from Texas, and Messrs. Trezevant & Cochran, of Dallas, Tex., have performed a public service in obtaining from the Hon. A. J. Rose, Insurance Commissioner of Texas, valuable facts regarding insurance underwriting in that state for the past fifteen years, with which to oppose the absurd fictions heretofore circulated. The information is contained in a letter from the Commissioner which we find published in the *Journal of Commerce*, and which we reproduce here:

"Austin, Tex., March 17.—Messrs. Trezevant & Cochran, Dallas, Tex.—Gentlemen: Replying to yours of February 5th and March 6th respectively, I beg to hand you herewith statement of premiums received and losses paid by fire insurance companies in this state for sixteen years, as follows, 1881 to 1886 inclusive, 1886 to 1896 inclusive, and 1891 to 1896 inclusive, say as follows:

	Premiums received.	Losses paid.
1881	\$1,457,518.80	\$775,069.04
1882	1,744,030.79	1,425,030.93
1883	2,376,350.56	1,238,014.10
1884	2,127,242.38	1,735,606.31
1885	1,951,502.12	2,015,520.65
Total	\$9,687,131.05	\$7,710,130.90

"Second five years:		
1886	\$2,137,707.18	\$1,156,180.82
1887	2,209,401.84	1,445,301.47
1888	2,321,121.25	954,969.11
1889	2,308,572.41	654,752.50
1890	3,621,868.00	1,100,980.78
Total	\$12,108,853.58	\$5,712,180.68

"Third five years:		
1891	\$1,555,325.80	\$2,681,543.13
1892	1,407,505.05	2,535,806.03
1893	3,785,126.25	2,586,705.63
1894	3,270,210.68	2,360,795.45
1895	3,579,863.34	1,892,382.19
Total	\$17,608,041.52	\$12,067,727.33

"The basis adopted last year for calculating expense of management to premiums received is 34.66 per cent."

"The 1896 business is briefly summarized as follows: 1896, premiums received, \$1,575,840.21; losses paid, \$2,632,047.12."

"Treating you may find figures correct, I am yours truly,

"A. J. ROSE, Commissioner."

Messrs. Trezevant & Cochran, using the expense ratio of 34.66 per cent. adopted by the Texas department (although 35 per cent. is the usual estimate) figures a net loss to the companies in the first period of five years of \$1,380,546, an excess of premiums over losses and expenses in the second period of \$2,195,184, and a deficit in the third five years of \$654,113. On the fifteen years' business the companies came out with a net profit of \$160,525. The report of the Commissioner for 1896 shows a net loss of \$135,964 for that year, expenses being figured at the same rate 34.66 per cent. For the sixteen years, 1881 to 1896 inclusive, then, the fire insurance companies have lost \$135,964 in Texas. That is the way they have been carrying money out of that state.

Patient: "Say, Doctor?"

Surgeon (calmly opening his case of instruments): "Well?"

Patient: "Remember—we are insured in the same mutual company!"—*Chicago Record*.

"GRATELY SURPRISED," NO DOUBT.

January 20, 1897.

DEAR SIRS: I received a letter from you yesterday and today I slipped and fell fracturing my hip. Jan. 6, 1897, and was laid up one week. Total Disablement and one week Partial Disablement and also laid up yet but will be alright soon. I was greatly surprised to find my Policy had run out now to say if you will settle this claim I will renew my Policy for another year in which is no more than right that you should pay this Claim for I intended to renew my Policy I did not employ a doctor because I had a good nurse tend me now will say if you will allow this Claim I will take out a Policy for another year if you don't I will not because I intended to renew my Policy just as soon as it run out but I forgot the date it run out please write me as soon as you get this at — neb, because I am on the road at present and don't know how long I will be here, yours very Truly,

Mr. ———

(This gentleman apparently wants some "free silver," but as we can't pay on expired policies, we shall have to lose him as a policy holder. —En. Inter-State.)

THE GOLDEN CORD IS BROKEN.

Thrift suggests that it must have been painful for Mr. Litchfield to sever his connection with the Massachusetts Benefit Life Association. No doubt about it. A calf, it is said, experiences the most painful emotions during the process of weaning.

NETERLAND LIFE INSURANCE COMPANY.

We have received the following notice from the Netherland Life Insurance Company. It may be taken as a declaration of intention to retire from business in the United States, but the language conceals the thought:

The experience of the company has shown that the business in the United States cannot be done on as profitable a basis as the business done in Europe, and therefore it has discussed the advisability of not further increasing its risks in the United States and ceasing to issue further policies in this country after the first of April next, or of its continuance in business in the United States, or the transfer of its business to some other existing company, or to a new company formed under the laws of the state of New York for this purpose.

In the meantime the company's reserve and capital stock being unimpaired, and the losses by death being regularly paid, the policy holders may rest assured that their interests are perfectly secure.

Anyhow, the company will, as heretofore, keep an office in New York City for the purpose of collecting premiums as well as of settling death claims, paying surrender values, etc.

OBSERVATIONS.

The Chicago Independent has addressed an inquiry to a number of mutual life insurance companies on the point whether the company would furnish a policy holder upon request a list of its policy holders. No official so far has indicated any purpose to give up the information, but only a few companies have yet been heard from.

The Travelers Insurance Company has leased the entire fifth floor of the new Bank of Commerce building, corner Nassau and Cedar streets.

The Journal of Commerce calls attention editorially to the fact that in the first 80 days of 1897 there have been 20 fires in Chicago, each of which has caused a loss of \$10,000 or more, and altogether a total loss of \$2,105,000. It is a big price to pay for bad building and poor inspection.

The good agent, like a good postage stamp, sticks till he gets there. — *The Insurance Press*. A good postage stamp does not stick until after it has got there.

"Now, they speak of her as an up-to-date girl. What do you understand by that?"

"My boy, a girl that is up to date is up to anything." — *Puck*.

Commissioner Higgins of California has resigned to accept the position of General Superintendent of the Pacific Mutual Life. Mr. Henry C. Geisford is to serve as commissioner during the remaining years of the term.

An insurance boycott convention is to be held at Southern Pines, N. C., on April 28 and 29. Delegates from different states will attend, and a plan will be devised for boycotting northern and foreign insurance companies. The question who will bell the cat will be the stickler.

There has been introduced in the various state legislatures this season, as usual, bills. — *The Chronicle*.

Commissioner Fricke's insurance code for Wisconsin has nearly reached the decisive point. The code is a whole broadside into insurance, and should the legislature decide to fire it the effect will be hair lifting. But the code is so heavily loaded that the Wisconsin solons may decline to pull the string.

Dr. Edward Fowler, residing at Laurel, Del., has been appointed Insurance Commissioner for the State of Delaware.

The insurance brokers who are backing the brokers' monopoly bill in the New York Legislature are confident that the bill will pass. Superintendent Payn, who has some influence with the powers that be, is said to be in with the brokers who want to get license tags.

State Superintendent of Insurance Payn has appointed Morris S. Sheppard of Penn Yan confidential examiner in his department, at a salary of \$2,500.

There are lots of selfish shysters in this world, and we regret to say that they number in their ranks not a few insurance agents, and when an agent is of that caliber he is mean enough to borrow your bread in order to scrape the butter off. — *Travelers Record*.

Some of the assessment life associations fared badly in 1896. The Massachusetts Benefit lost \$18,600,000 of insurance in force; the Northwestern of Chicago \$14,000,000, and the Covenant Mutual \$5,000,000. All three wrote considerably less business in 1896 than they did in 1895.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS, - - - - - \$729,428,529.08
SURPLUS, - - - - - 3,585,126.19

THE PENN MUTUAL LIFE INS. CO. Insurance is furnished at extra cost. The face is immediately payable and expense-free. All policies are absolutely NON-FORFEITABLE. For travel value, the policy being applied to "EXTENSION" or to "PAID UP," an may be desired. The policy is free from technicalities and increases INVESTMENT for any years after Two years.

EDWARD M. NEEDLES, President.

HARRY F. WAST, Vice-President. JOHN W. HANER, Sec. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. C. LIPPINCOTT, Act. of Agents.
JESSE A. BARKER, Actuary. H. H. HALLOWELL, Act. Sec. & Treas.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.



Bonds Issued for Employes, Administrators, Guardians and in Judicial Proceedings.

W. L. TEEBOLN, President.
HENRI D. LIXIS, Vice-President.

Resident's Trustees, New York.

Wm. A. Wheelock,
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Henry H. Cook,
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Wm. A. Nash,
Willis R. Paine,
W. S. Garrison,
James A. Haydon,
John A. McCook,
John A. McCall,
Andrew Mills,
Jae Stillman.

CAPITAL \$2,500,000.

BONDSMEN SUPERSEDED.

Statement, December 31, 1896.

REVENUES including capital, \$1,000,000 \$3,172,805.30
LIABILITIES including reserve, (see p. 10) \$70,196.81

1800—1897.

United Firemen's Insurance Co.,

PHILADELPHIA.

Assets, January 1, 1897, . . . \$1,426,081
Surplus to Policy Holders, . . . 502,568
Capital, . . . 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827
Income, - - - 14,158,445
Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY, AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well as Industrial business, and offering exceptional advantages to its Policy Holders and Agency Force.

AGENTS WANTED. WHITE

The Prudential Insurance Company

OF AMERICA,

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS,
MAY APPLY TO THE HEAD OFFICE OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.


The *Guarantors*
LIABILITY-INDemnITY-COMPANY
OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager.

713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING.
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1826.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

C. W. BABB, Jr., Manager.
T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

44, 46 & 48 Cedar Street, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, President.
CHAS. S. WHITNEY, Vice-President.
E. S. SAVAGE, 2d Vice-President.
JOHN NAPIER, Secretary.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN, General Manager, London.
GEORGE MUNROE ENDICOTT, Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG FIRE INSURANCE CO. OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLCOTT, President Central Trust Co., New York,
ERNEST THALMANN, of Ludwigsburg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Notman, Josine & Mynders, Commissioners at Law, New York.

F. E. RASCH, Manager. AD. DORNMEYER, Asst. Manager.

THE Lancashire Insurance Company OF MANCHESTER, ENGLAND.

95 Pine Street, New York.

General Manager, - - - DIGBY JOHNSON.

January 1, 1896.
Assets, - - - - - \$2,807,899.04
Liabilities, - - - - - 1,257,914.70
Net Surplus, - - - - - \$770,041.04

Trustees in the United States.

DONALD MACKAY, Esq., of Vermont & Co.
CORNELIUS N. BLISS, Esq., of Blinn, Fabry & Co.
H. J. FAIRCHILD, Esq., of The H. B. Claiborne Co.
EDWARD LITCHFIELD, Manager New York Office.
H. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserves for insurance in force, etc.	4,181,030.17
Net surplus	5,057,508.12
Policyholders' surplus	5,057,508.12
Gross assets	7,118,538.17

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary. CYRUS PECK, Treasurer.
R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.,
Western Department, 1840 N. Dearborn, Chicago, Ill.

RESPONSIBLE AGENTS WANTED.



BONDS OF SURETYSHIP.

The Guarantee Company of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINSON, President and Managing Director. RIDDLE & COMMON, Auditors.

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New York—111 Broadway, D. J. Tompkins, Secretary.
Boston—40 Central Street, Geo. W. Grosvenor, Attorney.
Chicago—Room 401, The Temple, J. R. Evans, Secretary and Attorney.
Philadelphia—95 Mutual Life Bldg., A. F. Seltzer, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS AT MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets	\$232,141.03
Liabilities	189,778.24
Surplus	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO. OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$7,511,128.51
NET SURPLUS	346,178.06
LOSSES PAID	7,404,556.86

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust.
Personal Accidents, Plate Glass, Jailer, Elevator,
Employees, Landlords, and Common Carriers' Liability.

OFFICERS.

GEORGE F. REWARD, President.
ROBERT J. HILLMAN, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



MUTUAL FIRE INSURANCE COMPANY

OF NEW YORK.

(A Stock Corporation.)

STATEMENT JANUARY 1, 1895.

Capital paid up in cash	\$205,000.00
Insurance reserve and all other liabilities	\$48,573.47
Net surplus	\$77,191.09
Total assets	\$1,048,405.15
Losses paid since organization	\$,000,000.00

R. A. LEWENTHAL, President.
W. A. FRANKS, Secretary.

AARON CARTER, Vice-President.
H. W. FARRE, Assistant Secretary.

1850.

1896.

The United States LIFE INSURANCE COMPANY In the City of New York.

This old and reliable company now has the experience of forty-six years of practical life insurance, which has taught it that the man who can win of success is the adoption of good plans of insurance, and the pursuit of a liberal policy towards both its insured and its agents. These elements it possesses in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are irrevocable after ten years. They are non-forfeiting, providing generously for other paid-up policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its course during the past forty-six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BIRFORD, President.

C. F. FRANKLIN, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
W. T. STANLEY, Attorney. J. H. C. FERRY, Counsel.
JOHN F. MUNN, Medical Director.

FINANCE COMMITTEE.

GEORGE H. WILLIAMS, President Chemical National Bank.
JOHN J. TYLER, Auditor.
F. H. PERKINS, Jr., President Importers' and Traders' National Bank.
JAMES R. FRANK, Counsel.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. PURCELL, Assistant Manager.

A. M. THORBURN, Secretary.

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 10 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital.....	\$300,000.00
Total cash assets.....	610,316.45
All liabilities, including reinsurance reserve.....	378,313.16
Net surplus.....	23,103.29

ANDREW J. ARMSTRONG, Sec.
 J. JAY NESTELL, Sec. Local Dept.

GEORGE S. PORTER, Pres.
 HENRY ADAMS, Jr., Vice-Pres.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital.....	\$1,000,000.00
Reserve for reinsurance.....	1,014,751.51
Reserve for losses under all contracts.....	6,000.00
Reserve for all other claims.....	12,000.00
Net surplus.....	\$2,032,751.51

Total assets.....\$3,047,751.51

HEUG SCHEMANN, President.

FR. VON REHNSTEDT, Vice-President. CHAS. BUCKMASTER, Secretary.
 GEO. B. EDWARDS, Vice-President. GUSTAV KRIEGER, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

Hon. GEORGE A. COX, J. J. KENNY,
 President. Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - -	\$1,638,889.35
Surplus in United States, - - - - -	547,731.08

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
 UNITED STATES.

The Palatine INSURANCE COMPANY, Ltd.

OF MANCHESTER, ENGLAND.



FOR FIRE INSURANCE.

Assets in United States, - - - - - \$7,401,244.71
 Net Surplus, - - - - - 559,412.04

Writing Large Lines on Desirable Risques.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM BELL, WILLIAM WOOD, Agent MANAGERS.
 WILLIAM M. DALLARD, Branch Secretary,
 21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION ASSURANCE CO., (LIMITED), OF LONDON.

Office: Cor. Pine and William Streets,
 NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?

SUBJECT TO THE
 INVALUABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS: INCORPORATED 1848.
 Tenfold
 Annual Dividend or
 Receivable
 Term.
UNION MUTUAL LIFE Insurance Company.
 Reliable Agents Always Wanted.

FRED E. RICHARDS, President. PORTLAND, MAINE.

ARTHUR L. BATES, Vice-Pres.

(EDWIN D. BUCKFIELD, Esq., 118 American Trust Building,
 Address either 120 Nassau Street, N. Y. City,
 or THURGOOD CLARK, Esq., 24 Adams Street, Chicago, Ill.)

NEDERLAND Life Insurance Company (Limited), OF AMSTERDAM, HOLLAND.

Established 1858.

SPECIAL FEATURE: Combination Term Policies.
 Low Rates. Ample Security.

874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.

JOHN CRUSBY BROWN, of Messrs. Brown Bros. & Co., Bankers.
 ARTHUR T. FRENCH, Vice-President of the Manhattan Trust Co.
 JOHN D. KELLEY, Merchant.
 JAMES B. PUTNEY, Merchant.
 CHARLES E. WHITHEAD, of Messrs. Whitehead, Deane & Osborn, Com-
 missioners of the Law.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, N.Y.C.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1874.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1897.

ASSETS, - - - \$462,179.22
Capital and Net Surplus, - - - 318,875.77

EDWARD H. WOODSON, - - - President
DAVID D. WHEATLEY, - - - V. President
S. W. BOSTON, - - - Sec'y.
CHAS. F. FROST, Genl. Agent,
No. 214 La Salle St., CHICAGO.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

ESTABLISHED 1860.

THE UNDERWRITERS' POLICY (FIRE)

issued by local agents in all prominent localities in the United States

Head Office: 48 Cedar Street, New York.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS. E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company
OF NEW YORK

Cash Capital \$250,000. Incorporated 1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary.

THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, APRIL 15, 1897.

No. 10.



MR. LOPER HEARS FROM NEW YORK AND MINNESOTA.

"With malice toward none, with charity for all,"

THE INSURANCE OBSERVER.

PUBLISHED SEMI-WEEKLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - - \$2.00 per annum.

European Subscription (postage free), - - - - 2.50 " "

Possible in Advance.

Single copies, - - - - cents.

Entered at the Post Office, New York, N. Y., as Second-Class Matter.

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

ASSAULTS UPON INSURANCE WEALTH.

That the interference of legislation with insurance is on the increase is a self-evident fact. The legislative hoppers of the different states are filled with bills, and the grist of insurance laws will be large. In most cases the legislation will be detrimental to the insurance interests, and in every case it is safe to say that no harm would be done if the proposed laws were not enacted. Many have sought the cause for the legislative assaults upon a business which owes practically nothing to legislation, and to which the manifold business interests are indebted for a protection unattainable in any other form of beneficence.

More than one cause, undoubtedly, is responsible for the systematic raids made by legislators whenever they come together officially. The least cause of all is any legitimate grievance which the public has by reason of liberal or unfair treatment at the hands of insurance companies. In recent years, at any rate, the tendency has been to discard prudence for liberality with the result of encouraging attempts at fraud. Lightning settlements of fire losses, and the abrogation of the suicide clause in life policies are instances of unreasonable liberality, and there are others.

In some instances insurance companies have unwisely, and to the injury of all underwriters, practiced tricks of liberality which have already returned to vex the authors of them, or in the end are bound to do so. A prominent fire insurance company not long ago paid a claim on a fluster policy for which it was clearly not liable. It was aware of the fact, but the claim was only a few hundred dollars, and there were other companies on the same risk which had thousands of dollars at stake. The first mentioned company abandoned a principle for the sake of playing a trick on its competitors and obtaining a cheap reputation for liberality. It is such methods which often furnish the capital for demagogues to use in striking their most telling blows at insurance.

The great underlying cause of legislative aggression, however, is the communistic sentiment that makes all forms of

wealth the object of attack. That such a sentiment has assumed vast proportions in this country, the enormous vote last November for Bryan and communism clearly indicates. It finds expression in innumerable acts of state legislatures, and, unfortunately, in the decisions of judicial tribunals. To take from those who have to give to those who have not, or who have less than they would like to have, has become the cardinal principle of many people, and legislation acquiesces in the demand.

Unfortunately for them, the insurance companies are compelled to furnish the evidence of the wealth which they possess, and while legislation is nominally directed against the companies, its purpose is to reach that wealth, to direct as much of it as possible from its owners and to bestow it upon the enemies of other people's property. It is unnecessary to descant upon the character of the funds in the possession of insurance companies or to explain the nature of their ownership. Large as is the aggregate, it represents a very small individual ownership, but it is seen in its bulk and envy and avarice cast longing eyes upon it. Here is the source of all the attacks upon corporations and upon the estates of millionaires. The contemplation of massed riches excites the masses to schemes of greed, and cheap politicians, eager for votes, respond with measures of confiscation.

We do not pretend to be able to cope with the problem before us. Whether the American people will recover from their madness without first having their hot blood chilled by cold steel we do not pretend to know, but in the past similar conditions have ended only in an appeal to bloody war. We have faith in education, but there are people who refuse to be educated, who believe that even a little learning is a dangerous thing, if the effect of it is to bring people to recognize the legitimate property rights of others.

VICE-PRESIDENT EGBERT O. WEEKS.

Mr. Egbert O. Weeks, formerly Assistant Secretary of the Aetna Insurance Company of Hartford, has been elected a director and vice-president of the company in place of the late James F. Dendley. Mr. Weeks is an experienced insurance man, having been in the business nearly thirty years. A part of his early training was in two excellent schools, the Lancashire and the Liverpool & London & Globe. Since 1883 he has been with the Aetna, and for the past five years was its assistant secretary. Mr. Weeks is familiar with the agency field and his selection as vice-president was considered a foregone conclusion as soon as the lamentable death of Mr. Dendley became known.

THE GUARANTORS IN NEW YORK.

The license of the Guarantors Liability Indemnity Company to do business in New York State has been renewed by Superintendent Payn. The certificate granted by the superintendent reads:

ALBANY, April 7, 1897.

I, Louis F. Payn, Superintendent of Insurance, do hereby certify that the Guarantors Liability Indemnity Company of Pennsylvania, of Philadelphia, Pennsylvania, has complied with all the requirements of law to be observed by such corporation, and that it is authorized to transact the business specified in the Third and Seventh subdivisions of Section Seventh of the Insurance Law, within this State, and that such business can properly be entrusted to it.

The Guarantors has also been readmitted into the State of Minnesota.

A MONUMENT OF STRENGTH.

Any error in judgment in purchasing life insurance becomes fatal after the policy holder is in the grave. His intentions may have been good, but the protection which his family obtains after his decease is measured not by what he intended to do but by what he did. If he really insured his life his family will get the insurance money; if he intended to insure, and thought that he had insured but did not, neither intention nor expectation will prove a realizable asset in the time of need. In the ordinary affairs of life a man may take chances which he cannot afford to bequeath to his dependent ones in the extraordinary affair of death. A man may speculate on a make or break venture when he is reasonably certain of being able to wrestle with the consequences himself, but contracts made to mature beyond the grave, and to be performed in behalf of the helpless, should have none of the element of speculation or of uncertainty.

An insurance policy written by a solvent company whose ability to pay is equalled by its desire to meet every obligation in spirit and in letter is the surest of sure investments. No one can study the monumental statistics contained in the annual statements of the Equitable Life Insurance Society without being impressed with the magnitude of its resources and its ability to make good every promise it makes at all. A policy of the Equitable needs no guaranty company to warrant its payment. It is good for everything it promises without any reservation whatever.

It is something less than forty years since the Equitable began business, having started in July, 1859. Its growth in business and in financial strength has been steady, and most of the time phenomenal ever since. An epitome of its progress is contained in the following summary:

Dec. 31.	Assets.	Surplus	Insurance to Force.	Ratio to Insurance in Force of Assets.	Surplus.
1859.	\$117,802	\$76,154	\$1,144,000	10.3	8.4
1869.	10,510,824	310,755	134,223,561	7.8	.8
1879.	37,366,342	5,550,305	162,357,715	23.0	3.4
1889.	107,150,309	22,821,074	631,016,666	17.0	3.6
1896.	216,773,947	43,777,179	915,902,070	23.7	4.7

The underlying principle upon which the operations of the Equitable are based is, that if a concern promises to pay anything there should be something to pay with. How closely that principle has been adhered to is indicated in the ratios of assets and surplus to insurance in force at the different dates referred to in the above table. On December 31, 1896, the assets equaled 23.7 per cent. of the amount of insurance in force and the surplus 4.7 per cent. At no previous time were the ratios of assets and surplus as large except in 1859, when the surplus on five months' business was figured at 8.4 per cent. of the insurance in force. That was the day of small things and of different methods of calculating reserves, surplus, etc., from those now in vogue.

With the reserve figured on the 4 per cent. basis—the New York standard—the Equitable has nearly \$217,000,000 of assets with which to meet less than \$174,000,000 of total liabilities, or nearly \$43 for each \$100 of obligations.

There has been some fear expressed that the insurance companies which have been making the largest growth have been getting weaker financially, but this is not true of the Equitable, which the longer it stands the stronger it grows. The increasing vigor of the company is shown in the following statement of gains in assets, surplus and insurance in force during the periods mentioned:

	Increase in Assets.	Increase in Surplus.	Increase in Insurance in Force.
1859-1869, 10 years.	\$10,510,824	\$310,755	\$135,367,861
1869-1879, " "	26,856,018	5,310,640	28,133,540
1879-1889, " "	69,795,497	17,270,670	48,658,954
1889-1896, 7 years.	109,663,628	20,456,105	284,085,214

During the past seven years the insurance in force has increased an average of more than \$40,000,000 a year, which compares with about \$47,000,000 per year in the previous ten years, the decade in which the business of the company grew the most rapidly in its history. This is a very favorable showing indeed, as the last seven years have been of the lean kind.

The mere getting of business, however, is not all that goes to make up a successful or powerful company. It is not even the most important factor. As the company incurs new obligations and increases its liabilities its means of meeting its obligations should increase, and here we find the Equitable making a showing, probably unequalled by any other similar institution in the world. In round numbers the assets of the Equitable increased \$1,000,000 a year during the first decade in its history, \$2,700,000 a year in the second decade, \$7,000,000 a year in the third decade, and \$15,600,000 a year in the last seven years. The increase in surplus has been \$32,000 per year in the first decade, \$523,000 per year in the second, \$1,727,000 per year in the third decade, and \$1,923,000 per year in the last seven years. These gains are all progressive, and each period shows the Equitable maintaining past records and improving upon them.

Still one more comparison, covering the entire existence of the society, shows how steadfast has been its upward march. This is shown in the growth of income as reflected in the following statement:

Year.	Income.
1859	\$12,707
1869	6,261,392
1879	8,347,081
1889	30,393,288
1896	45,011,058

In six years the annual income of the Equitable has increased nearly \$15,000,000, or about 50 per cent. In the ten years, from 1879 to 1889, the increase was about \$22,000,000, or 275 per cent. The increase in amount of income has been even larger since 1889 than before, although naturally the percentage of increase has not been maintained.

The record made by the Equitable during the past six years may be studied with much interest. It is the record of a vigorous management guided by brains. In the annual receipts of the company during that period may be read the story of invariable supremacy, of accumulative growth, checked by no obstacle of competition or of adverse business conditions. The six years' annual receipts have been:

Year.	Premium Receipts.	Interest, etc.	Total Income.
1891	\$13,126,349	\$5,018,594	\$19,054,943
1892	34,046,598	6,239,669	40,286,267
1893	35,537,395	6,227,595	41,764,990
1894	36,038,321	7,630,795	43,669,116
1895	36,300,064	8,095,778	44,395,842
1896	36,949,358	8,241,720	45,011,058
Total 6 years	\$211,039,739	\$43,041,042	\$254,080,781

In five years the revenues of the company have increased \$6,000,000 per annum, about equally divided between the premium receipts and other revenues. In six years the company has received \$254,000,000. It will be useful to discover what use it has made of this large sum. We show the amounts

paid for death claims, and total paid policy holders and for expenses, as follows:

Year	Death Claims,	Total Paid Policy Holders,	Total Expenses.
1891.....	\$5,946,153	\$16,791,606	\$3,173,388
1892.....	10,461,982	16,531,448	7,647,500
1893.....	10,201,276	17,650,115	7,447,453
1894.....	11,033,079	19,473,352	7,951,131
1895.....	11,474,262	19,568,209	8,123,765
1896.....	12,380,249	21,937,439	8,066,982
Total 6 years.....	\$64,447,920	\$109,057,549	\$47,392,739

The above statement presents in a strong light one of the most favorable phases of the recent history of the Equitable Assurance Society. It testifies to the economy which is being pursued in the management of the company. While the death claims paid in 1896 were \$3,400,000 more than in 1891, and the total payments to policy holders increased \$7,000,000 in 1896, as compared with 1891, the total expenses of operation were reduced nearly \$220,000. In 1891 the payments to policy holders exceeded the expenses by \$5,600,000, in 1896 by more than \$13,800,000. It is a fact to be noted also that the revenues of the company outside of premium receipts last year provided for all the expenses of the company, and left a surplus for the year of more than \$850,000 besides. In 1891 these receipts fell short of the expenses by \$1,200,000.

For the first time in the history of the company it disbursed last year more than \$22,000,000 to its policy holders, in exact figures, \$21,937,439. It is now paying out to policy holders nearly \$7,000,000 every month, and in the past six years has paid nearly \$110,000,000. It is not possible to measure the good that a company like the Equitable is doing as it gathers together the small premiums of its army of policy holders, and disburses the aggregate to the beneficiaries named in its policies.

While the Equitable has received \$154,000,000 from premiums and other sources in the past six years, and paid about \$110,000,000 to the policy holders, and \$47,000,000 for expenses, there is still a balance of \$97,000,000 to be accounted for. This will be found in the increase in assets from \$119,000,000 to \$216,000,000. That \$97,000,000 has been put aside to meet future obligations of the company as they mature. The policy holders are assured that the Equitable is building for the future as well as for the present, and while issuing its promises to pay is also making due preparations to pay its promises when they come due. The great cornerstone of this mighty institution is "Solvency." The Equitable is a financial fortress, impregnable and unassailable.

SOUTH-EASTERN TARIFF ASSOCIATION.

The Executive Committee of the South-Eastern Tariff Association has appointed Wednesday, May 12th, as the date for the Sixteenth Annual Meeting, which will be held at Old Point Comfort, Virginia. The headquarters of the Association will be at the "Hotel Chamberlin."

PREFERRED RISKS.

The Sceptre Life Association, Limited, an English life insurance company, has two departments in which it corals its drinking and non-drinking policy holders in separate statistical pens, and carefully keeps tab on them. It is interesting to note that in the general section, which embraces the bibulous fraternity, last year there were 106 deaths, while 125 were expected, or only 84.8 per cent. In the temperance section, de-

voted to the exclusive use of total abstainers, 83 deaths were expected, but only 47, or 56.63 per cent., occurred. In twelve years the percentage of actual to expected deaths was 80.45 per cent. in the general section and 58.24 per cent. in the temperance section. The company is not a very large one, its total insurance written being only about \$500,000, and we have not data sufficient to judge of the value of the results of its experience. But the evidence has been accumulating for some time past, that the total abstainer pays more for his insurance than the tippler, because he lasts longer.

POST MORTEM JOURNALISM.

It is one of the evidences of civilization that women, children and the dead are exempt from abuse. The sentiment that inspires even the man of brutal instincts to stay his hand when he meets his unarmed enemy moves mankind in general to inter in the grave of the dead all grievances. *De mortuis nil nisi bonum* is the expression of man's noblest nature, it is his proclamation of emancipation from barbarism. That anyone should quote so lofty a sentiment while pouring into the freshly made grave of an honest and honorable gentleman the vitriol of his malice is almost inconceivable. "For who could war with dumb unconscious clay?" wrote the unknown author of those remarkable verses, entitled "If I should die to-night." It seems that the Boston correspondent of the *Insurance Press* can and did. *Qui facit per alium facit per se* is a legal maxim familiar to the editor of that paper, and he must accept the responsibility of having spoken ill of the dead, without even the excuse of necessity.

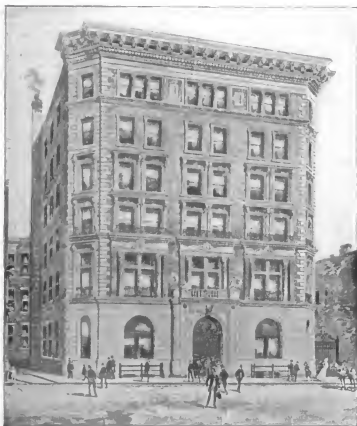
Mr. James F. Dudley, late vice-president of the *Æna* Insurance Company of Hartford, needs no defence against the disparagement injected into the obituary notice which appeared in the *Insurance Press*. If it be uncivil and uncivilized to speak ill of the dead when only the truth is spoken, to slander the dead with false statements and lying insinuation becomes the unpardonable sin. We shall not attempt to fathom the motives which impelled the selection of so courteous a gentleman, so worthy a man, and so efficient an official as the late James F. Dudley for vilification. No grievance muttered while Mr. Dudley was alive can justify the stabbing of his memory when he is dead.

We have read many homilies on "decent journalism" since we have been engaged in presenting our views of live men and live issues. The self-avowed apostles of decency have resented our criticisms of people for whom they lacked and at whose feet they fawn for what they can get, whether kicks or hapence, but in the three weeks since the attack upon Mr. Dudley was published, not one of them has voiced a protest against it. There are no favors to be had from the departed. So the decency of some journalists is after all a commercial commodity, and he who criticizes the man who pays them commits the Comstockian offence. *Vale* Decency.

A WICKED SUGGESTION.

"It's an awfully good thing," says the *Insurance Record*, "for an executive officer to be pious and economic, and careful of the policy holders' money, but in the life insurance sermonee he must not expect to get much new business."

Does that mean that the business getters are impious, extravagant and careless? We trust that the new editor of the *Record* has not found it necessary to use cum words in getting new ads.



THE PHOENIX MUTUAL LIFE INSURANCE CO.'S BUILDING,
HARTFORD, CONN.

GOODS SOLD BUT NOT DELIVERED.

In a case recently decided in Toronto, Judge Morgan acting as arbitrator, the plaintiff, Darling, a wholesale dry-goods merchant, sued several insurance companies for damage to goods destroyed by fire. Darling had sold a portion of the goods, and for the purpose of filling orders for them they had been cut into suitable lengths, but at the time of the fire they lay in his warehouse undelivered. The insurance policies covered "goods sold but not delivered," and the companies did not dispute their liability, but disagreed with the insured as to the mode of arriving at the value of these particular goods. The loss was paid in so far as the actual cost of the goods was concerned, and the question referred was whether an additional sum should be paid upon the goods sold but not delivered. The claim made by Darling was put on either of two grounds: (1) That he should recover the price at which he had agreed to sell the goods; or (2) that he should recover the actual cost price, plus the expenses incurred in buying and selling the goods.

The arbitrator among other things says: "It is fairly well established law that, in mercantile insurance, in estimating the loss, the test is 'the value of the thing insured at the time and place of the fire.' If the goods agreed to be sold and delivered, had been delivered, they would on delivery have ceased to be covered by the policies, even though remaining in the premises where insured; while they remained undelivered the policy would only cover them in the character in which they were insured, namely, as a part of the general wholesale stock. It seems to me that to give effect to the contention of the insured would be to enlarge the scope of the policies and make them cover, not only the actual value of the goods, but also insure the completion of all contracts for the sale of the goods, and the realization of the gross profit consequent on such sale. The insureds had the right of replacement within a reasonable time, but instead of exercising such right, they say to the insured, we will give you a sum sufficient to insure the replacement of the goods, such sum being the 'cost price' of the goods as above defined. Are they required to do more? Do the policies require them to replace within such time as would enable the insured to complete his contracts for the sale of the goods? Do the policies cover any loss that might arise from the inability of the insured or the companies to replace in time to execute the contract? I think not."

A NEW KIND OF CREDIT INSURANCE.

The attempt to establish credit insurance, that is, insurance against bad debts, has been such a lamentable failure that in the minds of most underwriters the scheme has come to be considered as impracticable as perpetual motion or the dream of the alchemist. From the *Insurance Observer* of London we learn that the philosopher's stone which is to realize golden shekels out of the base metal of commercial credits has been discovered, and a company is to be formed to undertake the transmutation as soon as the necessary capital has been obtained.

Our contemporary has interviewed the head chemist of the new school of alchemy, and he has with unusual frankness disclosed all the secrets of his wealth-producing process, and if there is not some necessary ingredient lacking, insuring credits will become the best paying business ever entered upon by man or woman. At the outset he declares that the old pro-

cess has been abandoned, or more correctly speaking, has been reversed. Instead of insuring against loss by bad debts it is proposed "to prevent losses by bad debts," or "to insure credit."

It must be confessed that the thing seems simple enough after being explained. The policy of insurance is to be issued to the man who wants credit, and not to the man who gives credit. All that the would be debtor is required to do in the first place is to furnish the company with a description of his character, and a balance sheet, certified by a respectable accountant. He is not required to deliver a lock of his hair or anything else to identify him, which seems to be a weak link in the chain of security.

Having disclosed to the company all the secrets of his life and business, a policy is issued to him, perhaps. In that event he is to furnish ten minute bulletins, oftener if necessary, of his business operations where his credit is involved. The company will keep a debit and credit account with him, charging him with the obligations he incurs and crediting him with the bills he pays. The company will keep track of his business and tell him when he should go into debt and when he should not, and save all its policy holders the necessity of thinking.

Anyone can see that a company transacting that sort of business will, in a short time, make itself absolutely indispensable to the credit asking public. In about six months it should be able to corner the credit market so tight that the entire business world would be begging on its knees the privilege of buying credit on its own terms. We do not know whether it has yet chosen a head for its confidential department, but we take the liberty of proposing ex-Chief Thomas A. Byrnes, whose experience in the United States Casualty Company, while very brief, has been very valuable to him at least in developing his hump of caution.

The company, according to its progenitor, proposes to establish a system which will "divide traders into two classes—those who can be trusted, and those who cannot." This may be taken to mean those who insure with the company and those who do not; so the non-insuring trader will have a hard time of it. The scheme is a great one and will succeed—when the sky rains lakhs.

A "POLITE" PROTEST.

A farmer in Ontario, who had taken out a fire insurance policy for \$1,400, was required to increase his insurance by \$200. A higher rate was asked for the additional insurance than had been charged on the original amount. The farmer's wife, possibly kin of the one which took part in the tragedy of the three blind mice, wrote the following emphatic and "polite" refusal to submit to the extortionate demand:

M—, March 3d,

Manager ——— Loan Company.

DEAR SIR: In answer to your letter of the 1st inst., I will just say politely I will not pay the premium asked on our insurance; you must not think me unkind, but it was only last week we wrote for \$10.00 on \$1,400—to-day on \$1,600 extra, they want \$7.50. They can go plumb to Hell; they won't get it. We can insure here for \$1 on each hundred; then of course there is the agents' fees, \$1.50, which would make \$17.50 on the amount we wish to insure for, and it runs for 3 years, just the same as yours.

Now, I am quite willing to pay on the \$1,600 the same rate as we have been paying, viz., \$1.15 on each \$100, but no more; it is unreasonable to expect any more. It seems the

harder times get with farmers the more the companies raise on their policies. With oats at 13 cents a bushel and corn 17, it is enough to set a sane person determined to try to keep things going. We actually work for nothing and board ourselves.

I will do nothing whatsoever towards insuring until I bear from you again. Hoping they will come to those terms, as ours is an A No. 1 insurance risk, as you know.

Respectfully yours,

Mrs. _____

INSURANCE AND BUILDING AND LOAN ASSOCIATIONS.

The *Indicator* suggests that "there is a large and, we think, profitable field of work for life insurance among the members of homestead societies, and especially among borrowing members, that has so far not received the attention it merits. It lies probably more within the sphere of the industrial insurance companies." Further it advocates a table of rates "based upon an insurance terminating entirely at the end of twelve years, and a liability for a lessening amount yearly, with a lessening premium payable in monthly installments."

The plan suggested has been proved not practical. We wish it were. A rather extended experience in the local building and loan association movement has forced us to the conclusion that almost without exception the borrower in such associations assume a burden which taxes all their ability to carry. Interest rarely less than 7 per cent. per annum and installments on the principal of the loan of say 6 per cent. per annum, make 13 per cent. to be paid yearly, or \$325 on a loan of \$1,500. This, in addition to taxes, fire insurance and repairs, makes the borrower's payments approximate \$30 per month, and that for a home which might be rented for about \$18 per month. The loan association borrower ordinarily must practice rigid economy in order to accomplish his purpose of obtaining a home. That he would gladly avail himself of the advantage of life insurance, if it were in his power, we have reason to know. But the cost of insurance is the one straw which he dare not add to his burden.

We do not believe it possible to fix a schedule for the kind of insurance which the *Indicator* proposes low enough to secure business in the loan association field. If it were possible to attract the class of members known as investors, it would be an excellent scheme. They are among the most thrifty of wage earners and wealth producers, and would be a valuable acquisition to the insurance company which could gather them in.

NEW ENGLAND MUTUAL LIFE.

The New England Mutual Life Insurance Company's statement for 1896 shows gains in various directions. The premium receipts were \$3,325,936, a gain of \$257,000 as compared with 1895, and the total income was \$4,455,701, an increase of \$322,000. The payments to policy holders were \$3,044,357, of which \$517,235 consisted of dividends or distribution of surplus. The net ledger assets increased from \$23,942,008 to \$24,630,783, or nearly \$690,000. The gross assets aggregate \$25,910,904, while the total liabilities are only \$23,824,955, leaving a surplus of \$2,085,948. The New England Mutual may well be pleased with so favorable a result of the operations of a year in which merely to hold old ground without gaining new was to be counted success. The company has prospered when everything nearly was at a standstill, and now with the gold standard era opening up the New England Mutual may be expected to enjoy still greater prosperity.

With President Benj. F. Stevens, Vice-President Alfred D. Foster, and Secretary S. F. Trull putting forth their best efforts, the New England Mutual is good to maintain a prominent place in the procession.

"EVOLUTION" IN INSURANCE.

Last January at the meeting of the Philadelphia Association of Life Underwriters Mr. Henry C. Lippincott, of the Penn Mutual Life Insurance Company, delivered a most thoughtful address in which he discussed many questions relative to assessment insurance, granting it some merits which its opponents have not ordinarily cared to recognize. Some of Mr. Lippincott's points not so favorable to the assessment plan have attracted the attention of Mr. L. G. Fouse of the Fidelity Mutual Life Association, and the latter gentleman has answered them seriously in a pamphlet entitled "Evolution in Life Insurance Thought." It is a strong argument and well worth reading. We can quote from it only in part.

Referring to the doubt expressed by Mr. Lippincott whether sufficient data have been collected to establish the fact that there is a ratio of lapse as easily ascertainable as the average of mortality, Mr. Fouse says: "If the data from which the decrement tables have been constructed are insufficient, based as they are on two millions of lives, and covering a period exceeding the average expectation of life, what shall we say of the mortality tables in use by the old line or legal reserve companies? The Combined Experience or Actuaries' Table was deduced from 62,537 assurances of 17 British offices in 1843. The American Table was constructed from the first 15 years' experience of the Mutual Life, with 37,185 lives exposed to mortality, and only 9,485 policies actually in force at the time of observation in 1857. The repeated observations, covering periods of prosperity, adversity, war and epidemics, show that there are greater constancy and uniformity in the lapse rate than in the death rate, and is, therefore, more, the basis of calculation. However, we concede that it should be done on a conservative basis, and that it should not be done unless the premium be flexible, which is the distinguishing feature of assessment insurance."

Mr. Fouse adds:

Mr. Lippincott concedes that the subject is full of difficulties; that if the favorable experience of the Mutual Life and other companies, having experience in keeping therewith, could be continued indefinitely, there would be no justification other than the legal requirement in continuing to collect so much in excess of what experience indicates to be necessary. He, however, fears the unknown factor of a company's becoming unpopular, unable to maintain its agencies, to renew itself, and thus inducing selection against it. In illustration he cites the American Life, which, on account of the effort to freeze out policy holders and confiscate funds, had a most fearful selection against it, which increased the death rate to two and three times the normal rate. We do not consider this illustration a proper one for mutual companies. The American Life was a stock company, and it is quite evident that the stockholders wanted the funds belonging to the policy holders. We, however, freely admit that an assessment company which does not maintain a common fund to protect it against adverse selection cannot perpetuate its existence. This is not universally required by the better class of assessment or flexible premium companies, but they are maintaining a fund for this very purpose, which even exceeds the common or surplus fund of legal reserve or old line companies.

Mr. Fouse denies that the old line companies are held to more rigid accountability than assessment companies, but maintains that the shoe is on the other foot. He says: "To make the old line companies equally accountable, it would be necessary to change the laws, so that the object and purpose of the component parts of the premium would be stated in the contract, or in the premium notice, so much for mortality, so

much for reserve, and so much loading for expenses, with the further provision, that if the moneys collected are not applied to the purpose specified, the officers who misapplied the same shall be guilty of misdemeanor, punishable by fine and imprisonment."

As regards the accumulation element in the "equated premium companies," Mr. Fouse says:

The premium rates of the Fidelity Mutual Life Association are determined by well authenticated past insurance experience. Under the terms of the policy contract, which is even more binding than a statute, the sufficiency of the rates is tested from time to time. If the company should at any time not have on hand invested assets equal to the present worth of the future deficiencies in the premiums, then through the safety clause, or flexibility in premiums, the deficiency must be at once cured, and not postponed or deferred to be levied by others. The guarantee against a deficiency is, that according to the experience of several centuries, no deficiency under the policy terms and rates of the Fidelity could have occurred. Mr. Lippincott is right in assuming that which has already occurred, that the equated premium companies will be described as "issuing life insurance contracts with a string." It is a string which effects a large saving in the premium, and which is attached to a safety valve that can be opened to admit further premium assets in case a deficiency in the accumulated fund or invested fund should occur. Mr. Lippincott next refers to the six billions of insurance written by old line companies, and to the seven billion by assessment companies, and as to what is necessary on the part of the old line companies to compete successfully with the assessment companies.

ÆTNA LIFE NEWS.

Vol. I, No. 1, of the *Ætna Life News*, published by the Ætna Life Insurance Company, has been received. It is intended for the use of the agents of the company, and is another illustration of the excellent quality of goods which come in small parcels.

HONORS FOR COL. JOHN W. VROOMAN.

Col. John W. Vrooman has been elected President of the Holland Society of New York, of which, he has long been a prominent member. Col. Vrooman is a loyal descendant of the liberty loving Dutch, and in his brilliant address at the annual meeting of the society on April 6th, he credited Holland with having given the old Puritans points on love and loyalty, on education and religion. One sentiment in his address is worthy of all emulation: "May we, as members of the Holland Society, lovers of this imperial nation, ever remember that vociferously crying the word 'American' does not always make an American; that the denouncement of other governments is not alone good evidence of loyalty to our own government; that the best of evidence of true American citizenship is found, not in the pronouncement of empty words, but in the announcement of worthy deeds."

THE PENN MUTUAL.

Some important changes are to be made in the offices of the Penn Mutual Life Insurance Company on July 1st. The venerable president, Mr. Edward M. Needles, who has been president of the company since 1836, and officially connected with it since 1863, has resigned because of his age. His resignation was accepted only after strenuous efforts to have him recall it proved unavailing. Mr. Needles has so long possessed the confidence and regard of the trustees that his retirement causes the sincerest regret. Vice-President Harry F. West has been elected to succeed Mr. Needles, and Mr. George K. Johnson, Jr., has been chosen Vice-President. Both these gentlemen are eminently qualified by experience and knowledge of the affairs of the company to fill their respective positions.

AMERICAN FIRE INSURANCE.

Mr. Silas B. Wood has been elected president of the American Fire Insurance Company, Mr. F. W. Downes, vice-president, and Mr. Herbert A. Hallock, secretary.

NO PREMIUM, NO INSURANCE.

Circumstances alter cases, or at least a great many people try to make them do so, and that is why there are so many cases in court which never ought to get there. One of such cases was that of Euphrosyne Rey, administratrix of her deceased husband, John A. Will, against the Equitable Life Insurance Society. The plaintiff sued on a policy for \$5,000 delivered by the society, in January, 1894, to Will, who died in March following. The company defended on the ground that there had been no absolute delivery of the policy, but that it had been delivered to him solely for examination. At the trial the society produced a receipt signed by Will, dated February 12, 1894, reciting that the policy was held by him "for examination, and not in force, as no premium has been paid." In the lower court the case was allowed to go to the jury, which, in the usual way of the "twelve good men," gave a verdict in favor of the plaintiff and against the rich corporation. The Appellate Division of the Supreme Court, however, took a different view of the matter when the case reached it on appeal. The judgment was reversed, Justice Rumsey holding that the question of delivery of the policy should not have been submitted to the jury; that the necessary result of the undisputed facts was to show that there was no complete delivery of the policy; and that the complaint should have been dismissed on that ground. Justice Ingraham, in a concurring opinion, says: "It has been quite frequently held that on a contract of this kind, which requires the prepayment of a sum of money as premium upon a policy, the prepayment of the premium may be waived, either by express agreement or by acts from which the court can imply such an agreement, but such an agreement, I think, must be an agreement to waive the prepayment of the premium, so as to substitute for such prepayment the obligation of some one to pay such premium in the future, and not an agreement that no premium at all should be paid by any one."

UNEARNED COMMISSIONS.

We do not believe in appeals to legislation to regulate business affairs. The law is never creative but always restrictive, and where it interferes it usually muddles, when it enters the domain of business. We are of the opinion, therefore, that the Brokers' bill now in progress of enactment in Albany should not become a law. Nevertheless we do believe that it would be well for the insurance interests if something were done by underwriters to end the promiscuous paying of commissions to everybody who has the nerve to ask for them. The agent and broker are worthy of their hire; they perform a useful service, and are entitled to a reasonable remuneration. There are, however, a great many people who are nothing more than leeches upon the business of insurance; men who, by some connection with people who have property to insure, seize the opportunity to pocket gains which do not rightfully belong to them. In one of the daily papers recently appeared a communication, apparently written by a lawyer, who objected to the Brokers' bill because it would deprive lawyers of commissions on insurance which they might place on the

property of their clients. There are lawyers who do add to their incomes by taking such commissions, but in doing it they depart from the strict lines of professional etiquette, and neglect either their clients or underwriters. We should like to see all such lawyers deprived of their unmerited gains, and for that matter everybody else who have no legitimate claims for services actually performed.

PREGNANT COMPARISONS.

A remarkable exhibit of the results of the management of the New York Life Insurance Company since Mr. John A. McCall became its president is presented in a series of comparisons published in the *Insurance Counselor*. We present some of the comparisons as follows:

Years.	Cost per \$1,000 Insured.	Expenses to each \$1,000 Insurance in Force.	Expenses to each \$1,000 Insurance in Force.	Death Rate per \$1,000 Insurance in Force.
1871-75	.....\$76.18	\$6.82	\$9.35	13.34%
1876-80	.....27.75	11.83	6.90	10.33%
1881-85	.....29.12	10.13	10.94	21.01%
1886-91	.....31.16	5.59	11.11	21.34%
1892-95	.....37.64	2.13	11.03	28.11%

WHAT OF IT?

If on some balmy spring morning a pleasant visaged gentleman with gray "Dundrearys" and "jolly little twinkle in his eye" enters your office in quest of information, treat him kindly. He may be Mr. George S. Merrill.—*The Standard*.

OBSERVATIONS.

The reinsurance bill in its present condition will not prevent the placing of reinsurance at Lloyd's, London, as the prohibition applies only to corporations. This would be quite a snap for the underwriters there, and might enable them to better turn their attention more vigorously to American fire business and drop insuring against twins and the death before Jubilee Day of Queen Victoria.—*Journal of Commerce*.

"Scrubber, have you any good rule for the use of 'shall' and 'will'?"

"Yes; whichever I think it ought to be I take the other one."—*Chicago Record*.

It is announced that the Mutual Life has decided to put women upon an equality with men. That seems to be a sort of grading them (the women) down. Women are more than equal to men, but it is true that life insurance has not taken that view of it. The Mutual has done the right thing.

"And did the groom kiss the bride?"

"Oh, yes."

"Before everybody?"

"No, after everybody except the sexton and the organist."—*Detroit Journal*.

The New York Life is emulating the building builders, and is now contemplating the investment of a good round sum in a structure in St. Paul.

"Our cashier's defalcation was a great surprise to us."

"Why?"

"He wrote such a beautiful vertical hand."—*Chicago Record*.

The bill to allow insurance companies to invest in the stock of other insurance companies not doing the same class of business, has passed the State Senate. The bill will probably become a law, but it should not, for it opens the door to very dangerous methods.

Mare Antony held aloft the bloody toga of his murdered friend Caesar.

"That rent"—be pointed toward the reeking garment—"is due to Brutus."

A voice from the gallery broke the breathless silence.

"Way under the sun don't you pay it to him?"

And the bouncer did his work.—*Judge*.

It is an interesting fact that one of the companies victimized by the Kemper County, Mississippi, conspirators was warned several years ago of the character of the risks it was writing, but it decided to continue. Guy Jack, now awaiting trial for murdering people who were insured for his benefit, came to New York, and against the advice of the chief medical examiner of the company was permitted to return home and continue getting business for the company. Guy Jack cost that company a good many thousand dollars.

The *Guardian* is doing assessment insurance a grievous wrong in defending the late president of the Massachusetts Benefit Life. If Mr. Litchfield had a defence no one better than himself could have made the defence, but he preferred to skip under fire. The *Guardian's* criticism of John Henry Rolker is unfair and unfortunate. Mr. Rolker so far has shown a purpose to protect the interests of the policy holders, and an ability to do it which must be anything but pleasant to the Litchfieldian influence.

For a joke some person had pinned on the back of a very portly man the other night a sign, "Boatblack Inside." All unconscious of this he walked up Broadway until the sign caught the eye of a man slightly exultant. He eyed the sign for a moment, then went up to the fat man. "Say," he said, "sure y' didn't swallow the chair, too!"—*New York Times*.

"And you have found Paris charming?" said a Paris doctor to two American ladies.

"Just great," replied the mother. "We've been here a fortnight, and we've seen everything and everybody."

Then the daughter chimed in: "Yes, as ma said yesterday, if we stopped here much longer we should become regular parasites."—*Household Words*.

Among the odd applications for removal endorsements the following received at the office of a leading foreign company yesterday is quite unique. The numbers are, of course, substitutes: "We must move from 901 to 909 East 90 St."—*Journal of Commerce*.

The principal effect of our retaliatory insurance laws so far has been to obstruct the efforts to obtain concessions for our life insurance companies in Prussia. But for our own folly the trouble would all have been ended ere this.

The report of the New York Insurance Department on the United States Casualty Company has not yet been published, but the examination has been concluded. The Cheesbrough influence is now out and Harmony is said to have gone in.

Superintendent McNall of Kansas cannot be held for contempt of court, but the Federal Court has charged the Grand Jury at Topeka that he may be indicted for obstructing the administration of justice. Well, if the Grand Jury will do its duty, the result will be still better. The Kansas cyclone may be bottled yet.

Levi: "Shakey, haf you sold anything since I vas out?"

Jahey: "I sold ein suit of clo'n to a shentilemans who couldn't pay but six tollars for dem. The price vas six-fifty. He haf promise to come in to-morrow an' pay te rest."

Levi: "Vell, he nefer comes back."

Jahey: "He comes back. Te pants I wrapped up vas two sizes too small for him."—*Harlem Life.*

Isaacs: "I vas goin' to fail undt I wanted to ask you to be der assignee."

Cohen: "I would be delighted, but I vas choost goin' to fail myself."—*Brooklyn Life.*

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS, - - - - - \$20,105,520.08
SURPLUS, - - - - - 3,594,186.10

The Penn is purely MUTUAL. Insurance is furnished at exact cost. Its features—mortality, interest and expenses—have all been highly favorable in this company. All policies are absolutely Non-Forfeiture. For reserve value, the latter being applied in "Extension" or in "Term" as may be desired. Its policies are free from formalities, and become non-forfeiture, for any cause after Two years.

EDWARD M. NEEDLES, President.

HARRY F. WEST, Vice-President. JOHN W. HANDEL, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. C. LIPPINCOTT, Mgr. of Assets.
JESSE J. HARKER, Actuary. H. B. HALLAWELL, Asst. Sec. & Treas.

NEW ENGLAND MUTUAL Life Insurance Co.

Post Office Square, Boston, Mass.

Statement of Business for 1896.

Net ledger assets, January 1, 1896, \$20,000,000.00

RECEIPTS.

For premiums, \$1,750,000.00
For interest, rents, and profit and loss, 1,100,000.00
4,850,000.00

DIVIDENDS.

Death claims, \$1,750,000.00
Matured and discontinued endowments, 25,000.00
Unclaimed and uncollected policies, 65,000.00
Distribution of surplus, 107,000.00

Total paid to policy holders, \$1,947,000.00

Amount paid for expenses: Its agents, salaries, local, travel, advertising, printing, stationery, taxes, State and municipal and all other incident expenses at the home office and at agencies, 700,000.00 4,200,000.00

Net ledger assets, December 31, 1896, \$24,630,783.45

Market value of securities over ledger cost, \$10,000.00

Interest and rents received December 31, 1896, 207,000.00

Net premium income of collection, 20,000.00 1,280,000.00

Gross assets, December 31, 1896, \$25,910,783.45

LIABILITIES.

Reserve as Massachusetts Standard 1 per cent., \$2,000,000.00

Balance of declarations unpaid, 10,000.00

Death and endowment claims approved, 10,000.00 2,020,000.00

\$2,030,000.00

All forms of life and endowment policies issued

under the Cash and Deposit plan are paid upon all policies

issued by the New England Mutual Life Insurance Co. and paid up insurance

under a valid policy issued in cash by the New England Mutual Life Insurance

Company, Boston, Mass., and values for any age and on application to the company's office.

WILLIAM F. STEVENS, President.

ALFRED B. PORTER, Vice-President.

A. F. TRILL, Secretary.

W. B. TURNER, Assistant Secretary.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, President.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS COLLECTIONS,
MAY APPLY TO THE HEAD OFFICE OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.

The **Quarantors**
LIABILITY-INDemnITY-COMPANY.
OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.
New York Office: 115 BROADWAY.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.

Bonds Issued for Employers, Administrators,
Guardians and in Judicial Proceedings.

W. L. TRUMBOLD, President.

RUDY B. LYMAN, Vice-President.

Resident Sureties, New York.


 NEW YORK OFFICE
 100 BROADWAY,
 NEW YORK.

 Wm. A. Wheeler,
 F. W. Vanderbilt,
 Cornelius A. Biss,
 C. H. Livingston,
 Isaac H. Williams,
 Walter S. Johnson,
 Wm. S. Burden-Cornwall,
 Charles W. Deane,
 John E. Seaples,
 E. F. Thompson,
 Geo. J. Foster,
 H. D. Lyman,
 Henry B. Platt,
 Wm. L. Trumbold.

 Henry H. Cook,
 Wm. H. Knicker,
 Wm. Deane,
 John Reed,
 C. L. Telford,
 H. B. Ketchum,
 Wm. A. Nash,
 William S. Deane,
 W. S. Gurnee,
 James A. Macdonald,
 John J. McCook,
 John A. Smith,
 Andrew Smith,
 Jas. Stillman.

CAPITAL - \$1,500,000.

REVENUE SUPERSEDED.

Statement, December 31, 1896.

 RESERVE FUNDS (including capital, \$1,500,000) \$3,112,802.76
 LIABILITIES (including reserve, \$97,800.00) 819,100.81

1800—1897.

United Firemen's Insurance Co.,
PHILADELPHIA.
 Assets, January 1, 1897, - - - \$1,426,021
 Surplus to Policy Holders, - - - 502,568
 Capital, - - - 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life
Insurance Companies of the World!**The Prudential**

HAS

 Assets, - - - \$19,541,827
 Income, - - - 14,158,445
 Surplus, - - - 4,034,116
LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.An aggressive, progressive Company, writing Ordinary as well
as Industrial business, and offering exceptional advantages to its
Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company


OF AMERICA,

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

**Dust-
Proof
Columbias**No oil holes in the bearings of the running gear—
the oil stays in and the dirt stays out. This is only
one of the superlative features of the Columbia bi-
cycles for '97.Catalogue worth keeping and good enough to pay for, free from
Columbia dealers, by mail for one 2-cent stamp.

Pope Mfg. Co., Hartford, Conn.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING.
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

G. W. BARR, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

14, 46 & 48 Cedar Street, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING,

PRESIDENT.

CHAS. S. WHITNEY,

VICE-PRESIDENT.

E. S. SAVAGE

2D VICE-PRESIDENT.

JOHN NAPIER,

SECRETARY

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower rate of expense than any other company.

B. STANLEY BROWN,

General Manager, London

GEORGE MUNROE ENDICOTT,

Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLIVETT, President Central Trust Co., New York.

ERNEST THALMANN, of Lohsburg, Thalmann & Co., Bankers, New York.

WILLIAM ALLEN HUTCHIN, of Butler, Norman, Johns & Rydeman, Counsellors at Law, New York.

P. E. BAUGH, Manager.

AD. DIRMAYER, Asst. Manager.

THE

Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

Assets, - - -	January 1, 1896, -	\$8,507,896.04
Liabilities, - - -		1,837,814.70
Net Surplus, - - -		\$770,081.34

Trustees in the United States.

DONALD MACKEY, Eng. of Verulam & Co.

CORNELIUS S. BILSON, Eng. of Bilo, Fabry & Co.

H. J. FAIRCHILD, Eng. of The E. H. Clavin Co.

EDWARD LITCHFIELD, Manager New York Office

H. M. FAIRCHILD, Assistant Manager New York Office

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserve for insurances in force, etc.	4,101,000.13
Net surplus	3,000,000.13
Policy-holders' surplus	3,000,000.13
Gross assets	7,510,000.25

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary. CYRUS PECK, Treasurer,
B. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.,
Western Department, REALTY BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

8-111 STOUT Street. THE J. R. MULLIN, Secy.

MERCHANTS'

INSURANCE CO.

OF NEWARK, N.J.

BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINSON, President and Managing Director.
BIRDELL & COMMON, Auditors.

BRANCH OFFICES.

New York: 111 Broadway, D. J. Tomlinson, Secretary.
Burrard: 40 Central Street, Geo. W. Grosvenor, Attorney.
Chicago: Room 801, The Temple, J. R. Foy, Secretary and Attorney.
Philadelphia: 47 Market Lane, A. F. Gibson, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1882.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets, - - - -	\$232,141.03
Liabilities, - - - -	189,778.24
Surplus, - - - -	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$2,011,188.81
LIABILITIES	340,179.00
UNPAID FAIR	7,494,550.80

CASUALTY INSURANCE SPECIALTIES.

Bonds of suretyship for persons in positions of trust.
Personal Accidents, Public Places, Boiler, Elevator,
Employers', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLAR, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,
NEW YORK.

A. C. McILWAINE, Jr.,
Manager.



MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1896.

Capital paid up in cash	\$100,000.00
Reinsurance reserve and all other liabilities	\$48,371.47
Net surplus	\$77,165.88
Total assets	\$1,000,000.00
Losses paid since organization	\$,000,000.00

R. A. LOWENTHAL, President. AARON CARTER, Vice-President.
W. A. FRANCIS, Secretary. H. W. KADIN, Assistant Secretary.

1850.

1896.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty six years of practical life insurance, which has taught it that the sure way now of success is the adoption of good plans of insurance, and the pursuit of a liberal policy towards both its insured and its agents. These principles it possesses in an eminent degree, but justly tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are irrevocable after two years. They are non-forfeiting, providing generally for either paid-up policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its course during the past forty six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
C. P. FRAZIER, Secretary. A. WHELFORD, Assistant Sec'y.
WM. T. STANDEN, Acty. ARTHUR C. PERRY, Cashier.
JOHN F. MUNN, Manager.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUNNEY, Banker.
E. B. FENNING, JR., President Importers' and Traders' National Bank.
JAMES B. PLUM, Banker.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States.

COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURWELL, Assistant Manager.

A. M. THORNBURN, Secretary.

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital	\$200,000.00
Total cash assets	\$10,310.45
All liabilities, including reinsurance reserve	\$78,213.16
Net surplus	\$32,103.29

ANDREW J. ARMSTRONG, Sec.
J. JAY NEPHEW, Sec. Local Dept.GEORGE S. PORTER, Pres.
HENRY ADAMS, Jr., Vice-Pres.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital	\$2,000,000.00
Reserve for unearned premium	\$1,344,024.24
Reserve for losses settled and paid	\$7,400.32
Reserve for all other claims	\$2,500.46
Net surplus	\$2,353,925.02
Total assets	\$3,044,234.27

HEUG SCHUMANN, President.

FR. VON BERNUTH, Vice-President. CHAS. HUYKHAVER, Secretary.
GEO. B. EDWARDS, GUSTAV KERR, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

HON. GEORGE A. COX, J. J. KENNY,
President. Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets	\$1,636,689.35
Surplus in United States	\$47,731.08

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.

Agents in United States,
New England,
Writing Large Lines on Desirable Business.
Applications for Agencies or Information should be addressed
For Eastern and Middle States:
WILLIAM REILLY, WILLIAM WOOD, JOHN NASSAU.
WILLIAM M. BULLARD, Branch Secretary.
21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION ASSURANCE CO., (LIMITED), OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

HAVE YOU
SEEN THE LATEST AND BEST POLICY?
SUBJECT TO THE
INVALUABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS:
Terminal
Annual Divi-
dend or
Retainable
Term.
**UNION
MUTUAL
LIFE** Insurance Company.
Incorporated 1850.
Reliable
Agents
Always
Wanted.

FRED F. RICHARDS, President.
ARTHUR L. RATES, Vice-Pres.
Address either:
125 N. D. HUNTER, Sup., 110 American Trust Building,
100 Nassau Street, N. Y. City
THOMAS H. CLARK, Sup., 31 Adams Street, Chicago, Ill.

NEDERLAND Life Insurance Company (Limited), OF AMSTERDAM, HOLLAND.

Established 1858.

SPECIAL FEATURE: Combination Term Policies.
Low Rates. Ample Security.
874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.

JOHN CROSBY BROWN, of New York, Brown Bros. & Co., Bankers.
ANDREW T. FLEMING, of New York, of the Manhattan Trust Co.
JOHN B. KEILEY, of New York.
JAMES B. POTTER, of New York.
CHARLES E. W. HITCHCOCK, of New York, Wholesale Dealer & Oyster, Con-
sultant at Law.



The Best Policies, The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK
Chartered 1864

THE OLDEST NEW YORK COM-
PANY IN ITS LINE, AND THE
ONE HAVING THE LARGEST
NET SURPLUS

January 1, 1897.

Assets, = \$402,179.22
Capital and Net
Surplus, = 318,473.77

EDWARD H. WYCKOFF, President
THOMAS D. WYCKOFF, Vice-President
& Wm. BROWN, Secretary
CHAS. F. PIERCE, Genl. Agent,
No. 114 La Salle St., CHICAGO.

A. & J. H. STODDART, GENERAL AGENTS

NEW YORK UNDERWRITERS AGENCY.

INCORPORATED 1881.

THE UNDERWRITERS POLICY (FIRE)

Issued by local agents in all prominent localities in the United States
Head Office: 46 Cedar Street, New York.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LOYDS
PLATE GLASS
Insurance Company

Cash Capital
\$250,000.

OF NEW YORK

Incorporated
1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary.

THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, MAY 1, 1897.

NO. 11.



"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED WEEKLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$2.00 per annum.

European Subscription (postage free), - - - 2.50 " "

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Single copies, - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - MANAGER.

JOHN S. HANSON, EDITOR.

BETTER SAW WOOD.

Concerning the recent change in the control or ownership of the Massachusetts Benefit Life Association, the *Weekly Underwriter* says in part:

"The seven owners of the association who thus relinquished their rights had built up a very fine and very large business, the profits of which became their property. This they were obliged to relinquish to others who had no interest in the business, because those others were in a position to ruin the business if they could not steal it. The owners were in the position in which any respectable citizen might find himself, who is 'held up' by a highwayman. Well, the highwaymen have secured the 'victim,' and now what will they do with them? The assessments must go on just the same, death claims must be met, and there is only one way of meeting them—by assessments. The association has a very respectable list of directors, but those directors are not going to put their hands in their pockets and furnish the association with money."

We are not accustomed to seeing such puerile talk in the *Weekly Underwriter*, and can account for the wildness of its argument only on the ground that it has such a bad case. Even if it were a fact that the ownership of the association has been stolen by the present proprietors, their claims might find justification in the theory that the *second* thief is the best owner. The *Weekly Underwriter* contents itself with assuming the right of the "seven" to own the association; it ignores the methods employed to obtain the ownership. It is true that the original stealing of the proprietorship was not conducted on the plan of the daring highwayman, but after the manner of the sneak thief in whose stock in trade courage does not necessarily take up much shelf room. When the original owners of the association were tricked into giving away their proprietorship and the men who worked the grab game pledged themselves to secrecy, the original offence was committed. No statute of limitation is recognized in the law of morality, and the character of that transaction has not been changed by the lapse of time.

But what was the peculiar and irresistible force which compelled the "seven owners" to relinquish their rights and "the profits which became their property"? Whatever tender regard they may have had for the association should not have weighed in the scale as against the tender regard they should

have had for their own reputation. Why so incontinently drop out and allow highwaymen to rob them of their property, if it was their property and their title was cloudless? The *Weekly Underwriter* may answer these questions, if discretion does not command its silence.

Our contemporary proceeds to ask what "the highwaymen" will do with the effects. Well, what would the "seven" have done with them had they stuck to their property, or rather what did they do when they had them? Assessments went on "not just the same" for they were rapidly increased; "death claims were met—by assessments;" and the "seven" did not "put their hands in their pockets and furnish the association with money." On the contrary, some of the seven retired from their property with pockets fairly bulging with money furnished by the association. In one respect, at least, there will be a marked change in the administration of the association's affairs: if the representatives of the new owners do not put their hands in their pockets to put money into the association, they will not put their hands into the association to put money in their pockets. At least, we assume that the members of the association will hereafter be on the alert to prevent any set of men making enormous fortunes out of alleged profits of a mutual concern.

We should advise the friends of the former "owners" of the Massachusetts Benefit Life Association to emulate the example of those whom they would befriend and cultivate a large measure of silence.

THE MOORE-KENNEDY PASSAGE AT ARMS.

Mr. F. C. Moore more than once has demonstrated his ability to maintain his end of a controversy, and the latest candidate to take a fall out of him is or ought to be convinced by this time that Mr. Moore is able to keep perpendicular under all circumstances. Mr. E. R. Kennedy, in his epistolary tilt with Mr. Moore, has had his leathers grievously mugged, and if the former gentleman really believes, as he has declared, that his antagonist is a combination of crank, mule and bourbon, his dignity must be all the more wounded. A more courteous "mule," a more rational "crank," a more logical "bourbon," never played a tawoo on the small ribs of a heel-tickling innocent.

Mr. Moore's advantage over Mr. Kennedy is that the former is the same to-day as yesterday, and is pretty sure to be the same to-morrow as to-day. Mr. Kennedy, on the other hand, is forced to make an explanation of a change in front, which after all, does not explain. Mr. Kennedy does not attempt to dodge the fact that he opposed the re insurance law five years ago, and is now advocating it. For this change in his position he offers two explanations which won't jibe at all. They are:

1. "Evidently, I have learned something."
2. "Six years ago I acted under instruction of the New York Board of Fire Underwriters. . . . To-day I am acting on my own judgment."

According to Mr. Kennedy, he *has* changed his views because he has learned something, and he *has not* changed his views because six years ago he merely presented the views of the board he represented, and not his own. Now if Mr. Kennedy were a crank we should suspect that he slipped a cog.

It is possible that Mr. Moore looks upon Mr. Kennedy as a species of Hessian fly whose advent to this country was contemporaneous with the arrival of certain allies of the British,

and whose errand here was to do up the old Continentals. They signally failed, but the Hessian fly has since taken ample revenge upon American wheat. However, the President of the Continental does not seem to mind anything that buzzes.

ASKS QUESTIONS.

An ill-shaped, under-sized lawyer once badgered an old woman on the stand until she was full of wrath. Finally he asked her:

"Do you know what an interrogation point is, Madam?"

"Yes," she replied, "it is a nasty, crooked little thing that asks questions."

McNall of Kansas seems to fill the bill.

ABUSE OF LEGAL PROCEDURE.

It does seem to be too bad that the time of courts can be taken up in hearing suits in which there is not a shadow of right or justice on one side, while all the equities are on the other. Take the case of the Washington Life Insurance Company against Clason, just decided in favor of the company. The company brought a suit to foreclose a mortgage made to the company by the defendant. The defendant having had, used and enjoyed the money loaned to it by the company, interposes a defence that the mortgage was void because the plaintiff had loaned more than 50 per cent. of the value of the property mortgaged. Having been treated too liberally by the company the defendant therefore undertakes to confiscate the entire debt. The appellate division of the New York Supreme Court, however, has remanded the defendant Clason that the law is not intended to encourage highway robbery. Justice Patterson, who rendered the opinion, holds that there is nothing in the statute which declares that securities such as this mortgage shall be void, and that "it cannot be inferred reasonably that it was the intention of the Legislature to destroy in the hands of insurance companies securities like that in suit. The purpose of the statute is to protect the creditors and the policy holders, and not to allow a debtor, after giving security upon the faith of which, in reality, money is advanced to him, to withdraw the security and take away from the corporation that lien upon the faith of which the transaction was made."

Clason, however, has managed to keep the company out of its money for some time, and that was, perhaps, his only object. It is an outrage that the courts can be used in such a way and for such a purpose.

TAKING MONEY OUT.

A little blaze at a little place called Whitney's Point, about 30 miles from Binghamton, N. Y., dissolved \$250,000 of property into its original elements. There was about \$30,000 of insurance on the property destroyed, leaving a balance of \$170,000, which Whitney's Point has contributed to "experience." Had that much money been "taken out" of Whitney's Point by the insurance companies, and held until the time came to put it back, which time happens to be now, it is possible that Whitney's Point might have been doing more kicking against the companies in the past and less kicking itself now. Of course we do not intend to reflect on Whitney's Point, it may not be that sort of a Point at all; but it serves to illustrate the point we are trying to make, that there are places which think that what they pay to insurance companies is "taken out" of them.

PRESIDENT STEVENS AND THE NEW ENGLAND MUTUAL LIFE.

When the history of the nineteenth century comes to be written what a remarkable age of progress the years 1800 to 1900 will be shown to have been! How swift has been the pace few realize until they come to apply the foot rule of personal reminiscence to the ground that has been covered. Within the span of a single lifetime have been crowded events which equal in importance the achievements of several centuries in past ages.

When we come to study the magnificent proportions of the structure now reared to life insurance, it is not easy to realize that deep down below the surface were laid the foundation stones by hands which are still shaping and building with the same steadiness of nerve and effectiveness of execution that they possessed so long ago.

We are reminded of how much a human life can contain, by the announcement that Mr. Benjamin F. Stevens, the President of the New England Mutual Life Insurance Company, on April 9th last, had completed the fiftieth year of his connection with that company. Fifty years! That length of time is of itself a tribute to the honor of Mr. Stevens and of his company. The lives, the enterprises, that survive the storms and the perils of half a century have demonstrated their fitness to live on and on and still on. May both the New England Mutual Life and its honorable President have many more years of prosperity in enjoy, is the wish of countless friends of both.

But fifty years! Think of it! Where or what was insurance then? The New England Mutual Life itself was then only about three years old, a new born child in an untracked wilderness. Along every highway which now marks the thronging fare of life insurance the New England Mutual's axe has felled many a tree that blocked the way of progress. Starting in 1843, it was only a few months behind the Mutual Life of New York, while it preceded the New York Life by more than two years, and the Equitable of New York by sixteen years. The hard problem that the New England Mutual had to solve, the "indians" that it had to fight were numberless and dangerous. Whether insurance is yet a science or not, when the New England Mutual and Mr. Stevens were first struggling with the questions that confronted them, everything was experimental, all uncertain.

To Mr. Stevens is due largely the success with which the New England company met the difficulties that confronted it. First its Secretary, from April 9, 1847, until June 14, 1864, next its Vice-President until November 14, 1865, and finally its President since the latter date, it may be said that during the entire existence of the company the genius of Mr. Benjamin F. Stevens has been the bulwark of the company's success.

Mr. Stevens is of old New England lineage. The sterling qualities of the old settlers of Massachusetts have been inherited by him. It seems that naturally a man descended from ancestors who founded the Republic in the East, who were engaged in the death struggle for liberty, and who were bold in defending the weak against oppression, should be devoting all his energies towards building up a safe and abiding refuge for the widowed and the fatherless. Like the Puritans of old, their worthy descendant, Mr. Stevens, is fighting to save the weak from the perils which poverty let loose upon the helpless.

Mr. Stevens has brought the New England Mutual up from almost nothing until its assets now aggregate \$25,000,000. Its policy holders number nearly 36,000 and they carry about

\$100,000,000 of life insurance. Last year the company paid \$1,550,284 for death claims, \$318,118 for endowments and \$517,235 for dividends, which, with other payments, made a total of \$3,044,357 paid to its policy holders in one year. The total expenses of management were only \$722,569 last year, only about 16 per cent. of the total receipts and \$150,000 less than the revenues of the company from other sources than premiums. The New England Mutual Life has long been known as a conservative and safe company, resisting all temptations to take big risks for the sake of winning great fame. In its care the interests of the policy holders cannot suffer while the same wise management that in the past has controlled its affairs continues to preside over its destiny.

A DISGRACEFUL EPISODE.

The projected raid upon the industrial insurance companies by certain or uncertain members of the Pennsylvania legislature ended in the discomfiture of the conspirators. Thanks to the courage of Presidents Hegeman and Dryden, the attempt to blackmail their respective companies did not succeed. There seems to be no question that the bill to prevent infant insurance in Pennsylvania was a strike, and it has been openly declared that \$50,000 was the price asked for preventing the bill going through. The price was not paid, neither did the bill go through. This is the usual result of strikes of this sort when a point blank refusal meets the demand to stand and deliver. The trouble is that it takes loss of courage to resist the demand of these freebooters, and it sometimes seems easier to buy an enemy than to fight him. But in every case a show of fight is pretty sure to make him take to his heels. The Pennsylvania episode is a disgrace to that state, but it is doubtful if the conspirators will suffer any worse effects than the overthrow of their plans. They may even have seats in succeeding legislatures and try their luck in other directions. But if the example set by the Metropolitan and the Prudential companies is universally followed, the legislature will cease to have any attractions for that class of statesmen who are in politics for what they can make.

NATIONAL ASSOCIATION OF LOCAL FIRE INSURANCE AGENTS.

The National Association of Local Fire Insurance Agents, which held its first meeting at Chicago on September 30th, last year, will meet for the second time in the Planters' Hotel, St. Louis, on May 6th to 9th. This association has many laudable purposes in view, and unquestionably represents a very large constituency. The second convention, it is expected, will draw a very large attendance, and the programme arranged for presents many attractions. It is unnecessary to say that the association is not a labor union to wage war on "the bosses," but its purpose is to foster friendly relations between the companies and their agents, and we wish it well in its efforts.

A SOLON SPEAKS.

It is to be presumed that the point as taken by the attorneys for the company is backed up by sound law, in which case, if recognized in favor of the defendant, it will be enough to throw the case out of court.—*The Standard.*

PHENIX MUTUAL LIFE.

The Phoenix Mutual Life Insurance Company of Hartford, Conn., was among the early arrivals in the field of insurance, and antedates all but a very few of the companies now in operation. It began business just as the nineteenth century was turning into the second half, and for 46 years the company has been honest, upright, and in the main prosperous. Never was it more vigorous than at the present time. It was one of the exceptional companies which last year increased its business, its premium receipts increasing from \$1,330,824 in 1895, to \$1,432,228 in 1896; its policies in force from 24,999 to 25,087, and its insurance in force from \$40,460,331 to \$48,816,841. The assets of the company on January 1, 1897, were \$10,658,042, and after deducting the reserve of \$9,798,470 and all other liabilities, there was a surplus of \$571,552. Since the company was organized it has paid more than \$36,000,000 to its policy holders, and is now paying at the rate of \$100,000 every month. It is the company that pays which should attract people who want insurance, and the Phoenix of Hartford is that kind of a company.

VICE-PRESIDENT CHARLES C. LITTLE DEAD.

Mr. Charles C. Little, Vice-President of the Phenix Insurance Company of Brooklyn, died of consumption on April 23d. Mr. Little occupied a very prominent place in the ranks of underwriters, and was looked upon as authority upon the most technical points in insurance. He was always a careful, zealous official, and commanded the respect and confidence of all who knew him. He wore his honors, and they were many, modestly, and was ever courteous and considerate in his relations with others. His loss not only to the company with which he was connected, but to the profession, will long be felt and regretted.

THE BROADWAY DISSOLUTION CASE.

Although the Broadway Fire Insurance Company is still very much alive, it appears that the proceeding to dissolve the company is also alive. Judge Beckman has denied the motion of the new directors to discontinue the action for dissolution, holding that as the case is now before a referee and some of the stockholders have appeared and become parties, they are entitled to be heard in support of the petition, even if the present directors are opposed to it, so the suit goes on.

THE "INDICATOR'S" GRIEVANCE.

The *Indicator* expresses with unnecessary display of courtesy a grievance against the *INSURANCE OBSERVER*, which exists entirely in its imagination. The charge that we have been unfair in publishing only one side of a question comes with poor grace from a paper which for a year allowed its columns to be used by a peripatetic blackguard to pelt us with the filth of his mind diseased. The *INSURANCE OBSERVER* has no intention of doing injustice to anyone, but it must decline to publish apologies which dodge the issue, even if it is Mr. John A. McCall whom our contemporary desires to shield. If the *Indicator* will furnish us proofs that Mr. McCall has not made his purely mutual company the snug refuge for a number of his relatives, we shall be glad in justice to that gentleman to publish the same, with due credit to the enterprise of the *Indicator*. Our readers, however, are not interested in the views of our contemporary on the propriety of nepotism, or in its theory that others do the same thing.

MR. CHARLES C. HINE.

The death of Mr. Charles C. Hine, the venerable editor of the *Insurance Monitor*, on April 17, was as unexpected as it was lamentable. The cause of insurance suffers a distinct loss by the death of this universally respected and esteemed gentleman. For forty years he was an active factor, a guiding hand and moving spirit in the insurance world. His masterly genius blazed out the way for many a reform, and his active brain contributed volumes to the best literature on insurance subjects. The shadow of decrepitude never threw its pall upon his efforts, and at the age of seventy-one he rested from his labors with none of his powers impaired. Behind him he leaves a record of mighty achievement, a memory of kindly deeds.

MUTUAL RESERVE'S GREAT GAINS.

The growth of the Mutual Reserve Fund Association under the management of President Frederick A. Barnham has rather dumfounded some of the critics of assessment insurance. It is true that this form of insurance at one time depended upon misrepresentation and bad guesses in order to get support. President Barnham has, however, declined to use such tools, and has insisted upon selling his goods as and for what they really are. This policy has evidently not hurt the association a bit, certainly not in the United States nor in Canada. In this country the Mutual Reserve wrote last year \$73,016,330 of new business, and increased its insurance in force \$16,366,690. In Canada the association wrote \$1,708,000 of new business more than any other American company, and 30 per cent. of the total written by all American companies in that country. It has in force in Canada \$35,188,974 of insurance, equal to 28 per cent. of the total for all American companies. These figures indicate that the Mutual Reserve is selling a kind of insurance for which there is a popular demand, and people better know what they want and what they are getting now than they did so or even to years ago.

A MULTIPLICITY OF ADJUSTERS.

We find in the *Investigator* a list of twenty-two adjusters who have been in Knoxville, Tenn., to adjust the losses caused by the big fire in that city, and we are told at least ten more were expected to put in an appearance. The appraisers whose arrival had been announced hailed from at least a dozen different cities and from eight different states. They came from Cleveland, Cincinnati and Troy, Ohio; from Memphis and Knoxville (one), Tenn.; from Louisville, Kentucky; from Evansville, Indiana; from Chicago, Illinois; from Atlanta, Georgia; from Birmingham, Alabama; and from New Orleans, Louisiana. What a pretty bell the insurance companies will have to foot for adjusting, and what an unnecessary expense!

The total loss is estimated at \$595,000, and the companies will have to pay considerably less. The adjustment of all the losses might safely be entrusted to one or two skilled men of known integrity. As a matter of fact a majority of the adjusters will not adjust at all. The work will be done by a few while the rest will dispose of their time in ways more congenial. They will accept and appropriate the results of the workers, sign the reports and make out their bills for expenses, etc., and the companies will all pay, and there will be the end of it. It is a waste of money for which there is no justification.

IMPROVIDENCE STILL REIGNS.

The volume of life insurance written in this country has not yet reached such a magnitude as to make the discussion of excessive insurance profitable. There may be some individuals who, seeing the advantage of insurance, buy far more than is necessary to save their dependents from the pangs of poverty, but they are the exception. A majority of people do not insure at all, and most of those who do, carry less insurance than they ought to have.

There were in this country in 1890 about 4,711,000 employees in manufacturing establishments earning \$1,281,000,000 in wages annually. The amount of insurance requisite to provide for the families of those who earn an annual income equal to the wages they are now receiving would be \$57,000,000,000. The total insurance carried by all the people who are earning wages is not a drop in the bucket compared with that enormous sum.

The average annual wage of each employee engaged in manufacturing enterprises is about \$500. Were each to insure his or her life for enough to assure no diminution of income for the family after death had removed the wage earner, a policy for \$12,500 would be in the hands of every such employee. Of the 4,711,000 employees how many carry even one-tenth of that amount of insurance?

Life insurance has not yet reached that stage where the greatest good for the greatest number is being accomplished. It has done much, yet but little as compared with what it might do, were prudence and foresightfulness to govern all human action. The full ranks of the indigent, the toiling widows, the ill-clad and poorly fed orphans, the children, boys and girls, thrust into the business world to earn a living before they have parted with their milk teeth, testify of the refusal of the masses to take thought of the morrow.

While we firmly believe that the least governed are the best governed, we confess to a leaning towards compulsory insurance. We cannot defy death nor compel men to live out their full days of usefulness, but to force men who assume the responsibilities of heads of families to make such provision for the future that they whom they leave behind them shall not become public charges, nor be deprived of food, raiment or education while physically incapable of providing for themselves, seems to be a proper function of government. An insurance policy ought to be made a requisite license to marry, its surrender good cause for divorce, subject of course to proper limitations.

THE AETNA'S ANSWER IN THE BETTS SUIT.

The Aetna Life Insurance Company has filed its answer in the suit brought by Commissioner Betts, and while it is not the function of a newspaper to decide cases in litigation, we shall not hesitate to express the opinion that the answer will prove a stumbling block in the path of the Commissioner. We doubt if any court will disturb a system of doing business which has prevailed for more than thirty years, without being convinced that it is inequitable. The answer clearly sets forth that no person or authority has ever made any claim upon the company because of any of the causes of action alleged by the plaintiff, and if nobody has been injured we fail to see how the courts can hold that any injury has been done.

AN INTELLECTUAL LAPSE.

Dear, dear, but into what a mad rage the *Guardian* has got itself all because its friend Litchfield has departed from the management of the Massachusetts Benefit Life under fire. It is not mad at Litchfield, oh! no; only at the people who demanded that he should explain why and how he came to be one of the absolute owners of a purely mutual association. 'Is it not time for placing on the board at least one person who knows something about life insurance?' it shrieks. Well, how much did ex-preacher Litchfield know about life insurance when he went into the Massachusetts Benefit Life?

Again the *Guardian* howls, "Here is an institution . . . wrecked within a twelve month by the cry of extravagant management and extortion." It is not wrecked yet, although the *Guardian* seems to be doing its level best to bring about that very result.

Then our friend drops into statistics and italics to prove that "the management of the Massachusetts Benefit Life had for years at its command for expense purposes too little money to enable it to do its work effectively." We shall not dispute your proposition, friend *Guardian*, for you are an expert in insurance figures; but admitting its correctness, don't you think the proprietors of that concern might have been a little more modest in building up their own fortunes out of that attenuated expense fund? If there was too little to go round it should not have been spread on so thick in spots.

We trust that the *Guardian* will soon be restored to its original condition of sanity and sobriety.

INSURANCE A TAX.

It is a favorite device of those who have failed to grasp the true meaning and purpose of fire insurance to strike a balance between premiums received and losses paid, and from it draw the conclusion that the difference is what has been unfairly taken from the insured and distributed among the underwriters. It is as useless as it is unwise to combat that theory by abuse of those who entertain it. Neither is it wise to claim for insurance that it is anything but a tax upon the many for the benefit of the few. From the necessity of the case the cost of insurance must exceed the fire loss, for in addition to what is paid for losses, it takes much money to keep the insurance machinery moving. The merit of insurance lies in the distribution of the fire loss, the removal of the burden from the shoulders of the few who cannot carry it and the placing of it upon the many who are well able to bear it.

Fire insurance is a public benefaction, for the reason that it saves the productive power of the individual for the benefit of the community. If every property owner were so circumstanced that, in the event of the destruction of his property by fire, he could speedily recover his position and suffer only temporary embarrassment, the usefulness of insurance as far as the public is concerned, would be very much less than it is. But to most property owners a total loss from fire means complete ruin, and his removal from the ranks of producers, to the positive injury of the entire community.

We have had innumerable examples of the damage done to the interests of localities and of the entire country by the failure of industrial enterprises and by the suspension of production in various industries. In labor troubles, in the blizzard of March, 1888, we have had reminders of the dependence of the prosperity of the people upon the continued activity of production.

Even if many people are paying for insurance, year in and year out, without ever getting a dollar back from the insurance company, they are in fact contributing to the public good, and share in the benefits which result. In times of panic it is almost invariably the rate that business men and also banks supply aid to individuals and to financial institutions, for the avowed reason that they cannot afford to have the aided concerns fail. In the wake of one important failure follow innumerable disasters, and the welfare of every individual is involved in the solvency of all business interests.

A recognition of the interdependence of all lines of business, of all people who have anything to lose or gain, will aid in discovering the real merit of fire insurance, and in ascertaining the fallacy upon which is built the theory that the good which individuals and communities obtain from insurance is to be measured solely by the cash collected from insurance companies for damage from fire. Collectively people must pay more to than they get from insurance, measured by dollars and cents actually paid and received. On the other hand, nearly every individual who collects a claim from an insurance company gets more than he paid, while the interests of all are conserved by a system which preserves to the community the productive powers of every individual who has the foresight to seek its protection.

THE METROPOLITAN WINS.

Judge Shumway of the Superior Court at New Haven, Conn., has decided the case of Fuller against the Metropolitan Life Insurance Company in favor of the company. The plaintiff, Dr. Fuller, bought up a lot of claims against the company, which had been settled years before, and brought suit against the Metropolitan. In the original trial before Judge Wheeler the plaintiff got judgment, which was reversed on appeal and a new trial ordered. The last trial has resulted in the defeat of Dr. Fuller.

THE FIRE WASTE.

The fire loss in the United States in 1896, as shown by the *Chronicle* Fire Tables, the abridged edition of which has just been issued, aggregated \$118,737,420, a decrease of nearly \$23,400,000 as compared with 1895, and of nearly \$49,000,000 as compared with 1893, when the loss reached its maximum point. The total is the smallest since 1886, with the exception of the two years 1888 and 1890, when it was about \$111,000,000 and \$109,000,000 respectively. The aggregate insurance loss in 1896 was \$73,903,800, a decrease from the previous year of about \$10,800,000, and from 1893 of \$32,000,000. The insurance loss is the smallest since 1886.

ANOTHER TRUE ELEVATOR STORY.

A delicate looking woman, says the *New York Times*, entered the elevator of the Metropolitan Life Insurance Building at the ninth floor. "Go a little slowly, will you please," said her rosy-cheeked companion to the elevator boy, "it makes her sick to fly down so fast." Gently the car descended, much to the amazement of an elderly gentleman who facetiously remarked: "The down trip is slower than the up trip, isn't it?" "Oh, no," said the boy, "it requires muscle to make her run fast all day. Toward evening I slacken up a bit." The women beamed their thanks and the knight in brass buttons lifted his hat.

UNITED STATES CASUALTY.

The United States Casualty Insurance Company has taken on nearly an entire new crew, and its sailing powers ought to be improved by the change. President Benjamin F. Tracy got out some time ago, and now Treasurer Charles S. Fairchild and Director William R. Grace have followed him. Mr. James W. Hinckley has been elected president, Mr. Henry W. Poor, treasurer, and Mr. Edson S. Lott, secretary. All these selections should strengthen the company. Mr. Peet continues as Vice-President, Mr. W. F. Moore, formerly second Vice-President, has been made General Manager, also a good choice. Messrs. Thomas Byrnes and John Farr have gone into the Directory, and Messrs. Byrnes and Lott have become members of the Executive Committee.

The New York Insurance Department has completed its examination of the company, and the report shows total assets of \$682,588; liabilities, exclusive of capital, \$347,364; surplus to policy holders, \$335,223.

ASSESSMENT INSURANCE CONTRACTS.

Whatever views may be entertained regarding assessment insurance, one fact cannot be disputed, that it is recognized by law, and, as a legal institution, is governed by the same general principles of law as any other form of insurance. The liability of any insurance company or association, or of its policy holders or members must be determined by the contract of insurance. This is law and common sense backed up by judicial decisions without number. Every insurance company, whatever may be its methods, is interested in maintaining the right of the contract to determine the mutual obligations of the parties thereto. To establish any other principle would be to endanger every kind of insurance.

President L. G. Fouse, of the Fidelity Mutual Life Association, has just issued a circular in which he contends for the recognition of this principle, and in so doing performs a distinctive service for insurance, whether assessment or level premium. The inspiration of his argument is the following statement contained in a circular criticizing assessment insurance:

"Forfeiture of rights through refusal to pay assessments does not absolve members from their liability either past or future. The association may continue to assess and the courts will enforce payment. Thus the liability of the responsible member is unlimited and unknowable."

Mr. Fouse quotes from a number of authorities to sustain the point that the contract itself must determine the liabilities of the parties thereto. The policy contracts of the Fidelity Mutual Life Association provide as follows: "In the event of the lapse, surrender, forfeiture, or termination of this policy from any cause, all personal liability of the member or insured shall *pro facto* or by the act itself, cease and terminate." It is obviously preposterous to claim that under such a contract as that any obligation to pay future assessments exists after the member has ceased to be a member.

There may be assessment, mutual, or fraternal concerns in which the members once bound are always bound to pay assessments, but the liability must spring from the contract itself. It were wise for every one to read his policy before accepting it, and if such a continuing liability is created, to refuse it altogether. But to assume that a contract for assessment insurance imposes a liability at variance with the plain terms of the contract is to defy all the rules governing the interpretation of contracts.

THE FIDELITY'S GOOD QUARTER.

The quarterly bulletin of the Fidelity Mutual Life Association says, that in the first three months of the year the receipts exceeded those of the corresponding period last year \$85,228 or 16 per cent. The receipts exceeded the disbursements \$178,813, making the total surplus on March 31, 1897, \$7,551,156. The losses and claims paid amounted to \$83,730, as compared with \$77,935 in 1896. The new business written amounted to \$6,592,616 against \$5,278,650 in 1896, an increase of about 24 per cent. The insurance in force on March 31st was \$69,498,672. That is a tip-top showing for the Fidelity.

A MATTER OF TWO HOURS.

Out in Montana the courts will have to dispose of a case in which the earth's revolution around the sun will cut somewhat of a figure. As an Iowa insurance company is the defendant and a native of Montana is the plaintiff, the decision may not be convincing as to the movements of the sun, but it will interest insurance men anyway. The telegraphed report of the case says that John W. Connell of Saline, Montana, was injured by a falling tree at 11 A. M. November 28, 1896. He was the possessor of an accident policy issued at Davenport, Iowa, one year before, which expired at noon of the day on which the accident occurred. The company contends that the time is measured from the place where the policy was issued, and therefore it had already expired before the accident occurred, the difference in time being two hours. The amount involved is \$2,500.

If we were that Iowa insurance company we would pay that \$2,500. That course seems to be both politic and honest. Had those two hours been on the other end of the period it is not at all probable that the policy holder would have got the \$2,500, for he would not have been likely to have discovered that he was insured at 10 o'clock when his policy read 1 o'clock and the company would not have felt in duty bound to inform him on that point. It is not fair to snip off two hours from the business end of that period now that there is no chance for the man to get the benefit of the two hours the company wants to add on to the other end. Anyway we have grave doubts whether any court will require a policy holder to keep track of what o'clock it is in every place whence has been issued to him a policy of insurance. That would be a hardship upon men who use only nature's time pieces.

THE McPHERSON DECISION.

The decision of Judge McPherson, of Pennsylvania, in the child insurance has been criticized by those who failed to understand its import. The decision simply holds that fraternal and beneficial associations cannot insure the lives of children, for the reason that minors cannot enter into a binding contract. In such associations the insured are members who enter into a mutual agreement. No minor can legally become a member for the simple reason that he is declared by law incapable of making an agreement that will bind him. The highest court of this state has decided the question exactly as the Pennsylvania court has done, but these decisions in no way affect companies, such as the Metropolitan and Prudential, which make the contracts with the parent of the child. Judge McPherson has taken the only proper view, for it is an absurdity to pretend that a child incapable of telling its own name can join an association, subscribe to its by-laws and enter into an obligation to pay assessments.

RECEIVED WITH THANKS.

Annual report of the Insurance Commissioner of the State of Kentucky for the year ended December 31, 1896. Part I. Fire, Marine, and Inland Insurance. D. N. Coningore, Commissioner.

Proceedings of the twenty-first annual session of the National Convention of Mutual Life Underwriters, held in Kansas City on November 10, 11 and 12. William F. Barnard, Secretary of the Executive Committee.

The *Chronicle Fire Tables* (abridged edition) 1897. A record of the fire waste in the United States in 1896, and for 22 years past. Published by the *Chronicle Company, Limited*.

AMERICAN UNION APPOINTMENTS.

Mr. Frank H. Wells, of Syracuse, formerly with the Nederland Life, has joined the American Union staff. Mr. Eben P. Dorr, also of the Nederland, has been made Executive Special for the American Union in the western part of New York State. Mr. Fletcher O. Boswell, formerly agent of the Covenant Mutual, has also been added to the staff.

SOME DO.

There's plenty of room (in the pulpit) for all the good preachers that can be had. The others? Let them do something else.—*Insurance*.

OBSERVATIONS.

The Provident Savings announces through the columns of its official paper, the *Provident Savings Record*, that it increased its new business in the first three months of the year 100 per cent. as compared with last year, and has effected a considerable saving in expenses. We congratulate President Scott on so excellent a result of his labors.

Mother: "And the serpent, as a punishment for tempting Eve, was made to crawl all the rest of his life."

Hobbie: "Well, Mamma, how did he get along before?"—*Harlem Life*.

The annual meeting of the Southeastern Tariff Association has been postponed one week. It will be held on May 19 at Old Point Comfort.

A well known vicar gives a curious experience. It was his custom to point his sermons to either "Dearly beloved brethren," or "Now, my brothers," until one day a lady member of his congregation took exception to this, and asked him why he always preached to the gentlemen and never to the ladies. "My dear lady," said the beaming vicar, "one embraces the other."

"But not in the church!" was the reply of the astonished lady.—*Tu-Bits*.

The bill in the Massachusetts Legislature to discharge the Massachusetts Benefit Life Investigating Commission is moving along in spite of the most bitter opposition. It has passed to the second reading in the House.

With an indictment over his head for interfering with the administration of justice and a number of suits brought by insurance companies against him for damages, Mr. Webb McNall will find ample opportunity to broaden his knowledge of the law. He will probably act as his own lawyer, as he seems to be that kind of an individual.

"My dear, I am surprised that you should accuse me of being intoxicated last night. Did I not sit up an hour after I got home, smoking and reading?" asked he.

"Yes, and do you know what you were smoking? It was one of my hair-curling kids."—*Cincinnati Commercial Tribune*.

The Preferred Accident Insurance Company is now being examined by the New York Insurance Department. It does not mind a little thing like that.

Professor: "In there any new property in water after it falls below a temperature of 32 degrees?"

Pupil: "Oh, yes, the property of the ice trust."—*Detroit Journal*.

The Continental Insurance Company has stirred up insurance circles again by informing the Attorney General of Ohio that it does not belong to any rate making association, and therefore is not violating the anti-trust law of that State. That is quite true, whether politic or not to tell it.

They had looked soulfully into each other's eyes for some time, but somehow, he didn't seem to come to the point. Then suddenly he made a discovery.

"You have your mother's beautiful eyes," he said. She felt that the time had come to play her trump card. "I have also," she said, "my father's lovely checkbook." Inside of thirty minutes their engagement was announced.—*Chicago Post*.

The American Union Life Insurance Company will move into its handsome new quarters in the Bowling Green Building, Nos. 5, 7, 9 and 11 Broadway, on May 1.

One set of twins played havoc with twin insurance in London, and rates have gone up 300 per cent. There may be a moral hazard lurking about somewhere which needs looking up.

The Iowa Supreme Court holds that beneficiaries of fraternal beneficiary certificates do not have a vested right in the insurance, because the insured may change his membership at will, therefore he may change the beneficiary at will.

Mrs. B. Day: "I could have bought ten volumes of Zola's works for four dollars and seventy-three cents."

"Mr. B. Day: "Why, that's dirt cheap!"—*Puck*.

The Massachusetts legislator, Mr. George of Haverhill, is giving Commissioner Merrill some very uncomfortable hours, that is if Mr. Merrill cares for adverse criticism. Mr. George in a speech in the Massachusetts house on April 27, discussing the Massachusetts Benefit Life bill, said that Insurance Commissioner Merrill had not interfered because he was a signer to the secret compact in these transactions. He charged that the commissioner had used his office to shield scoundrels.

Assets over \$1,400,000.

Capital, \$500,000.

Surplus to Policy Holders, over \$800,000.

The Guarantors

LIABILITY INDEMNITY COMPANY OF PENNSYLVANIA

New York and Minnesota, after the most careful consideration, have now issued to this company their license for 1897—as is attested by the following certificate and extract of report:

ALBANY, N. Y., April 7, 1897.

I, Louis F. Payn, Superintendent of Insurance, do hereby certify that The Guarantors' Liability Indemnity Company of Pennsylvania, of Philadelphia, Pennsylvania, has complied with all the requirements of law to be observed by such corporation, and that it is authorized to transact the business specified in the Third and Seventh Sub-Divisions of Section Seventy of the Insurance law, within this State, and that such business can properly be entrusted to it.

In witness whereof, I have hereunto subscribed my name and caused my official seal to be affixed in duplicate at the City of Albany on the day and year first above written.

(Sgd.)

LOUIS F. PAYN, Superintendent of Insurance.

The following being an extract from the Minnesota Insurance Commissioner's recent report of examination upon this company:

ST. PAUL, MINN., April 3, 1897.

"It is not out of place to state that I found the books and records of the company to be in excellent shape, especially those of the Claim Department. The claim registers show a very small percentage of unpaid claims, especially for a Company with such a large volume of business, thus indicating that their losses are adjusted and paid with an unusual degree of promptness. The official at the head of this department is to be commended for the able and efficient manner in which he handles this particular branch of the business, and takes a just pride in exhibiting his records."

(Signed)

ELMER H. DEARTH, Insurance Commissioner.

During the attacks made upon this company by the Casualty Insurance Trust, we offered our policy holders the privilege of cancelling every policy *pro rata* until we had shown beyond a question our entire responsibility, which the above certificates certify.

Having thus established this fact, the previous offer to cancel policies *pro rata* is hereby rescinded as to every policy in force, and we now shall, in the event of cancellation, require all conditions of policies complied with. The result of the examination of this company will show less unsettled losses than any casualty company in this field, and that it is the strongest company of the kind in America.

We have combined with no company as to rates or policies, and we pledge our customers to continue in our independent position.

**Employers' Liability.
Public Liability and Vehicle Risk.
Steam Boiler, Elevator and Automatic Sprinkler.
Inspection and Insurance.
Fidelity Insurance and Bonds of Suretyship.
Personal Accident and Plate Glass Insurance.**

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Head Office, 713 Chestnut St., Phila.

Richard F. Loper, General Manager.

"How did you know he was from Chicago?"
 "By his accent."
 "But you said he didn't speak to any one."
 "I overheard him eating a piece of pie"—*Truth*.

Mrs. Poorman: "It has been a hard winter, ma'am. My three grown girls have been very little help to me. The poor things are not strong enough to do washing, and they haven't clothes good enough to apply for any other work."

District Visitor: "But you say they have rich relatives; don't they look after them?"

Mrs. Poorman (sadly): "Only their morals, ma'am—only their morals."—*Goshen Democrat*.

Retaliation has expected on its hands and taken a fresh hold. The Iowa Insurance department has ruled out three Minnesota companies, and now the Minnesota department announces that it will rule out thirteen Iowa companies. If this thing keeps on the next convention of insurance commissioners will be a circus.

Penn Mutual Life Insurance Co. OF PHILADELPHIA, PA.

GRAND ANNUITY, - - - - - \$20,405,529.08
 SURPLUS, - - - - - 8,594,126.19

The Penn is purely Mutual. Insurance is furnished at exact cost. Its future—mortality, interest and expense—have all been highly favorable to this company. All policies are absolutely NON-FORFEITABLE for reserve value, the latter being applied to "Extra" or "of 20" "Paid up," as may be desired. Its policies are free from technicalities, and become incontestable for any cause after two years.

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DECEMBER 1, 1895, to DECEMBER 1, 1896.

\$2.00 each.

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Successful Agents and Gentlemen Seeking Representative Business Connections,
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Authorized Capital, \$1,000,000.00.
 Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
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CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.
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American Surety Co.,

100 BROADWAY, NEW YORK.

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CAPITAL, \$1,500,000.

BONDING SUPERDED.

Statement, December 31, 1896.

RESOURCES (including capital, \$1,500,000) \$5,102,802.70
LIABILITIES (including reserve, \$97,800.00) \$97,800.00

1860—1897.

United Firemen's Insurance Co.,

PHILADELPHIA.

Assets, January 1, 1897, \$1,426,021
Surplus to Policy Holders, \$502,568
Capital, 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life
Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827
Income, - - - 14,158,445
Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well
as Industrial business, and offering exceptional advantages to its
Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA,

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Columbia Bicycles

"A thousand dollars would not
buy a better bicycle than the
Columbia—nor 'just as good'
—because none so good is made."



\$100 TO ALL ALIKE

Hartfords are next best, \$75, \$60, \$50, \$45

POPE MFG. CO., Hartford, Conn.

Greatest Bicycle Factory in the World. More than 17 Acres Floor Space.

Branch House or dealer in almost every city and town. If Col-

umbias are not properly represented in your vicinity, let us know.

You should know about bicycles. Send for the handiest bicycle Cat-
alogues ever issued. Free if you will at any Columbia dealer; by mail
from us for one-cent stamp.



NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, PRESIDENT.
CHAS. S. WHITNEY, VICE-PRESIDENT.

E. S. SAVAGE, 2D VICE-PRESIDENT.
JOHN NAPIER, SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN, General Manager, London.
GEORGE MUNROE EDGECOTT, Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG FIRE INSURANCE CO. OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. GLOTT, President Central Trust Co., New York.
ERHST THALMANN, of Ladensberg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Notman, Jolles & Wynders, Commissioners at Law, New York.

F. E. RASOR, Manager. AD. DOHMEYER, Asst. Manager.

THE Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.
General Manager, - - DIGBY JOHNSON.

Assets, - - - January 1, 1896. - \$2,807,800.04
Liabilities, - - - - - 1,637,814.70
Net Surplus, - - - - - \$770,041.64

Trustees in the United States.

DONALD MACRAY, Esq. of Toronto & Co.
CONSELIUS V. BURNS, Esq. of New York & Co.
J. J. FAIRCHILD, Esq. of The H. B. Claflin Co.
EDWARD LITCHFIELD, Manager New York Office.
H. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1896.

Cash capital	\$1,000,000.00
Reserves for Insurance in force	2,101,000.12
Net surplus	2,025,000.12
Policy-holders' surplus	2,025,000.12
Gross assets	5,216,000.22

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary. CYRUS PECK, Treasurer.
R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.
WATKINS DEPARTMENT, REALTY BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

L. LEE STOUT, Pres. J. B. MULLINE, Secy.

MERCHANTS' INSURANCE CO.

OF NEWARK, N.J.

BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINSON, President and Managing Director. RIDDELL & COMMON, Auditors.

BRANCH OFFICES.

New York—111 Broadway, D. J. Tompkins, Secretary.
Boston—41 Central Street, Geo. W. Greenough, Attorney.
Chicago—Room 601, The Temple, J. B. Frye, Secretary and Attorney.
Philadelphia—601 Mutual Life Bldg., A. F. Smith, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets	\$232,141.03
Liabilities	189,778.24
Surplus	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$5,011,108.21
LIABILITIES	240,170.00
LOSSES PAID	7,494,850.80

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in position of trust.
Personal Accident, Plate Glass, Boiler, Elevator,
Employers', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. NEWARD, President.
ROBERT J. HILLAR, Trust and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



MUTUAL FIRE INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$200,000.00
Insurance reserve and all other liabilities	546,875.67
Net surplus	377,391.69
Total assets	\$1,083,865.35
Losses paid since organization	\$,000,000.00

R. A. LOEWENTHAL, President. AARON CARTER, Vice-President.
W. A. FRANCIS, Secretary. H. W. KAHN, Assistant Secretary.

1850.

1896.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty-six years of practical life insurance, which has taught it that the sure and safe way of success is the adoption of good plans of insurance, and the survival of a liberal policy towards both its insured and its agents. These essentials it possesses in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are irrevocable after two years. They are non-forfeiting, providing generally for either paid-up policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its course during the past forty-six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. RUFORD, President.
C. F. FRAZIER, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
W. T. STANLEY, Acty. Arthur C. FERRY, Cashier.
JOHN F. MUNN, National Director.

FINANCE COMMITTEE.

GEORGE O. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
E. H. PERKINS, Jr., President Importers' and Traders' National Bank.
JAMES B. FLUM, Leader.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,

COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURZELL, Assistant Manager.

A. M. THORNBURN, Secretary.

NORWOOD INSURANCE CO.

OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital.....	\$200,000.00
Total cash assets.....	610,316.45
All liabilities, including reinsurance reserve.....	378,313.10
Net surplus.....	35,103.35

ANDREW J. ARMSTRONG, Sec.
J. JAY KENTELL, Sec. Local Dept.GEORGE S. PORTER, Pres.
HENRY ADAMS, Jr., Vice-Pres.

GERMANIA

FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital.....	\$1,000,000.00
Reserve for unexpired premiums.....	1,214,073.36
Reserve for losses under adjustment.....	47,965.42
Reserve for all other claims.....	98,209.45
Net surplus.....	1,358,248.13
Total assets.....	\$2,544,241.57

HEGO SCHUMANN, President.

FR. VON BERNUTH, Vice-President.
GEORGE B. EDWARDS, Vice-President.CHAR. BOYKHAYER, Secretary.
GUSTAV KEHR, Assistant Sec'y.

WESTERN

ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1881.

HON. GEORGE A. COX, President.
J. J. KENNY, Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - -	\$1,636,689.35
Surplus in United States, - - - - -	547,731.08

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE UNITED STATES.



FOR FIRE INSURANCE.

Assets in United States, - - - - - \$9,351,844.71
Net Surplus, - - - - - 952,655.84

Writing Large Lines on Desirable Locations.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM HILL, WILLIAM WOOD, JERRY MANAGERS.

WILLIAM M. BALLARD, BRANCH SECRETARY.

21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION

ASSURANCE CO.,

(LIMITED.)

OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.HAVE YOU SEEN THE LATEST AND BEST POLICY?
SUBJECT TO THE
INVALUABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS: **UNION** Incorporated 1866.
 Term: **MUTUAL** Reliable
 Annual Dividend or **LIFE** Agents
 Renewable **Insurance** Always
 Term **Company,** Wanted.

FRED F. RICHARDS, President.
 ARTHUR L. BATES, Vice Pres.
 Address either: EDWIN D. SCUFFIELD, Sup't, 310 American Trust Building,
 120 Nassau Street, N. Y. City.
 THORNTON CHASE, Sup't, 14 Adams Street, Chicago, Ill.

NEDERLAND

Life Insurance Company (Limited),
OF AMSTERDAM, HOLLAND.

Established 1858.

SPECIAL FEATURE: Combination Term Policies.

Low Rates. Ample Security.

874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.

JOHN CRIMMIE BROWN, of Messrs. Brown Bros. & Co., Bankers.
 AMOS T. FRENCH, Vice President of the Manhattan Trust Co.
 JOHN D. KELLEY, Merchant.
 JAMES B. TWITTELL, Merchant.
 CHARLES E. WHITEHEAD, of Messrs. Whitehead, Deane & Osborn, Consuls-General at Lee.



The Best Policies. The Best Commissions.
 ACTIVE AGENTS WANTED.
 KIMBALL C. ATWOOD, SECRETARY,
 256 & 257 Broadway, New York.
ASSETS, over \$400,000. SURPLUS to Policyholders, \$263,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company
 OF NEW YORK.

Chartered 1854.

THE OLDEST NEW YORK COM-
 PANY IN ITS LINE, AND THE
 ONE HAVING THE LARGEST
 NET SURPLUS.

January 1, 1897.
Assets, \$492,179.22
Capital and Net
Surplus, \$18,975.77
 EUGENE H. WATSON, - President
 DANIEL D. WATSON, - V.-President.
 S. W. STEVENSON, - Sec'y.
 CHAS. F. FORD, Gen. Agent,
 No. 474 La Salle St., CHICAGO.

NEW YORK UNDERWRITERS AGENCY

(INCORPORATED)
 ESTABLISHED 1864.

Local Agents in all Prominent Localities in the
 United States.
 Office: 100 William Street, New York.
 A. & J. H. STODDART, General Agents.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
 forfeitable after three years; incontestable and unrestricted
 as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
 21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company
 OF NEW YORK

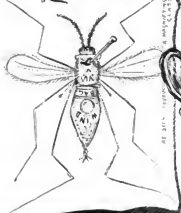
Cash Capital \$250,000. Incorporated 1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary.

THE KENNEDY-SPECIE



OF
THE
HESSIAN FLY
INTRODUCED
DURING THE
REVOLUTIONARY
WAR
BY THE
HESSIAN TROOPS.

ALL RIGHTS RESERVED
BY THE KENNEDY-SPECIE

CONTINENTAL

HEAD QUARTERS

GEN. F.C. MOORE at command.



NATURAL ANTIPATHY OF THE RAS

A BUZZER PUNCTURED.

THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, MAY 15, 1897.

No. 12.



"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED WEEKLY BY

THE INSURANCE OBSERVER CO.,

45 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - - \$2 per annum.

European Subscription (postage free), - - - - 2, 50 " "

Possible in Advance.

Single copies, - - - - 10 cents.

Entered at the Post Office, New York, N. Y. - in Second-Class Mail Matter.

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

NIHIL TETIGIT.

Even more remarkable than the defense of the former "proprietors" of the Massachusetts Benefit Life Association is the defense of itself by the *Weekly Underwriter*. We apologize for mentioning the name of our contemporary in this connection, but we have old-fashioned notions about courtesy in debate. To invent an accusation against itself and then prove it, is certainly not what we expected the *Weekly Underwriter* to do. Nevertheless, it charges us with suggesting that it was discussing matters with which it had no acquaintance—a suggestion which we did not make, but rather that it knew and wouldn't tell—and thereupon confesses its lack of acquaintance by declaring: "These men (the deposed proprietors) have been from the first, so far as any information we can get goes, the owners and managers of the corporation." In spite of the confession, we shall not suggest that the *Weekly Underwriter* does not know better.

It is a fact of which we claim no exclusive knowledge that the Massachusetts Benefit Life originally was not the property of the men who came to be its owners. The men who secured the sole proprietorship could not even vote themselves salaries, but they overcame the difficulty by getting the proprietary policy holders to surrender their policies, the title to their ownership, and accept in exchange new policies which debarred them from the right of possession. The original ten trustees, by retaining their old policies, thus fell heir to the rights which their fellow members had unwittingly abdicated. It is not difficult to characterize that transaction, and neither time nor the subsequent growth of the association makes it any more respectable.

Whether or not the *Weekly Underwriter* is a friend of the former "owners" of the association may not be material, although it expresses the opinion that they are entitled to a vote of thanks. However, the declaration that it "is not and never has been the friend of any assessment corporation" is not a denial of friendship for the men who first pocketed, and then,

under compulsion, disgorged the association. Those men were not an assessment corporation.

The *Weekly Underwriter* neglects to say to what extent the seven ex-owners would have gone down into their pockets to furnish the association with money had they remained in possession, a question which we asked it in reply to its positive assertion that the present directors would not do it.

DEATH OF MR. JOHN C. PAIGE.

Mr. John C. Paige of Boston, who for many years has been one of the most prominent fire underwriters in this country, died suddenly of apoplexy. The news of his death was a sad shock to all who knew him, for he was a man universally esteemed and with a wide circle of most devoted friends. His entire business career was devoted to fire insurance. He was a man of rectitude and broad intelligence, devoted to the best interests of insurance, always upholding the right, and of no one can it more truthfully be said that the world was better for his having lived. At a special meeting of the Boston Board of Underwriters on May 10, the largest ever attended, his virtues were eloquently eulogized by Mr. J. Edward Hollis, who presided. Everyone present seemed to feel that in the death of Mr. Paige each had suffered a personal loss. Mr. Paige at the time of his death controlled a vast agency business, which he has devised to the six managers who conducted the various departments. The business will be carried on under the name of "The John C. Paige Insurance Agency." In his will Mr. Paige left about \$150,000 to the Public Library of Boston and other institutions.

THE GIVE AWAY POLICY DECISION.

It strikes us that there is better law in the decision of Judge Audenreid's in the debating case of William M. Scott than some of the critics of that decision imagine. In his charge to the jury, the judge is reported as saying:

"I regard this law as extremely harsh, and an attempt on the part of the Legislature to interfere with men in the conduct of a legitimate and proper business. To warrant a conviction under this act the case made out by the commonwealth must be a very clear one. I shall never allow anybody to be convicted in any count in which I sit unless the violations provided for by the act are shown to my satisfaction. In the evidence which has been produced in this case there is nothing to show an attempt or offer to pay a rebate on the premium, or to give this man any special advantage as an insured. The evidence discloses a gift of a life insurance policy by one man to another, the giver paying the full premium or being charged for the full premium in his accounts with the insuring company. I am satisfied that this case does not come within the act. Therefore, gentlemen of the jury, I instruct you that you must find a verdict of not guilty."

This decision raises again the much vexed question, has a man a right to do what he likes with his own? Within reasonable limits the courts may be depended upon to hold that he has. In this case, the court decides that the Pennsylvania law does not prevent one man from buying a life insurance policy for another, and that seems to be a proper construction of the law, besides being a common sense view of the question. If an agent of a company is so burdened with wealth, so imbued with philanthropic ideas, that he goes about giving to this man or that man an insurance policy free, gratis, for nothing, without quid pro quo, who shall say that he is to be treated as an enemy of society or of any society or company? Why should he not commit the benignant act if a big business con-

cern, imbued with advertising motives, can scatter gratuitous policies by the hundreds among its employees?

If a company gives its policies to its agents to give away, then the sin is committed, then there is discrimination between policy holders, one class of insureds is given an advantage over another class, and that is all wrong, and if the jail yawns, the insurance company should fill the gap. But any man who chooses to buy at full rates an insurance policy for some other man ought, in all law and justice, to be permitted to give it in alms, if that is his method of dispensing charity.

However praiseworthy is the end in view, the prevention of rebating, the means must be found in the methods of the companies. If a company purposely gives an agent so much for selling one policy that he can afford to give away another, the company is the offender. After all, the whole trouble is to be found in the excessive commissions and bonuses which the companies pay for getting new business. And while that system prevails it matters not to the policy holders of the companies whether the agents give away policies, divide commissions or pocket all they get, not one cent more will reach the coffers of the companies than they are now getting.

NATIONAL CONVENTION OF MUTUAL LIFE UNDERWRITERS.

The twenty-second annual session of the National Convention of Mutual Life Underwriters will be held on June 22 to 25 inclusive, at the Grand Union Hotel, Saratoga Springs. Time, place and programme will offer unusual attractions to the expectant visitors, and the gathering of the clans whose banners bear the device "natural premium insurance" will be a notable event.

HARVEY ON ENTERPRISE.

Discussing the "Gain and Loss Exhibit," which he condemns, Actuary Harvey of the Missouri Department makes the following reference to one of the New York's Life's advertising dodges:

I repeat what I have said more than once, that it is a statement which ought not to be required of the companies; that it is of no sort of use to the public, even when truthfully made, and that it cannot be made truthfully by even the small companies, until long after the date when the annual statements should be in the hands of the public. I am led to this repetition, because one of the great companies—whose business swings through a quadrant of South America, through North America, to far places in Europe—publishes that technical balance sheet, contemporaneously with its annual statement within a few days after the 31st day of December last. It was filed in this department January 23. Such a result in such a brief time is possible only where there are shrewd guessers and expert estimators.

RECEIVED WITH THANKS.

Preliminary Report of the Insurance Department of Washington for the year ending December 31, 1896. Hon. Will D. Jenkins, Secretary of State and ex-officio Insurance Commissioner; C. G. Heilner, Deputy Insurance Commissioner.

Thirty-Second Annual Report of the Insurance Commissioner of Connecticut for 1896, Part II, Life and Accident Companies. Hon. Frederick A. Betts, Commissioner.

Forty-Second Annual Report of the Insurance Commissioner of Massachusetts for 1896, Part I, Fire and Marine Insurance Companies. Major George S. Merrill, Commissioner.

Summary of the Standing December 31, 1896, of all insurance companies other than Life, authorized to do business in Ohio. Hon. W. S. Matthews, Superintendent of Insurance.

Thirty-Eighth Annual Report of the Superintendent of Insurance of the State of New York for the year ended December 31, 1896, Part I, Fire and Marine Insurance Companies. Prepared by Hon. James F. Pierce, ex-Superintendent of Insurance.

GOING ON A BOND.

To endorse an accommodation note or "go on a bond" are two risks which no wise man cares to take. Any man may lend his cash, if he has any to spare, and there will be the end of it, and of the cash as well in many cases; but when he lends his name, he takes a plunge in the dark, absolutely ignorant of what awaits him when the end is reached. Individual fortunes have been lost and families ruined by the reckless lending of a good name without consideration.

Some recent examples of the folly of staking one's solvency on the honesty or success of a friend have filled the public prints. It is the old old story told again at all hours of the day and every day of the year, and to be told again as long as sentiment rises superior to judgment. No more legitimate field has insurance attempted to occupy than that which surety companies have selected, and no other branch of insurance is capable of accomplishing a larger measure of good. The virtue of the kind of insurance which those companies furnish is many sided and far reaching.

No man of honorable intentions can procure a bond from an individual without consideration other than friendship, without being sensible of having demanded a favor disagreeable to ask and not having incurred an obligation that cannot be liquidated. No bank account can honor a draft upon friendship.

But it is the man who has a name to lend or a credit to pledge, who should realize the uselessness of the surety company. A bond is purely a business undertaking, as it is a business obligation. Whether greater or less, the element of risk is always present. To measure that risk, friendship is wholly incapable, but it can be measured and limited by business acumen and foresight. This is what the surety company does, and no risk which any individual bondsman could wisely assume, will such a company refuse, nor can any individual accept a risk which no surety company would undertake.

It is one of the functions of the surety company also to minimize the risk by placing such safeguards as will tend to insure the integrity and even the success of those whom it bonds. It looks beyond the bond and contemplates the original undertaking to which the bond is allied. It makes to secure the original as well as the collateral undertaking.

Beyond all this comes in the responsibility, that is the solvency, of the bondsman. To this phase of the matter the one who takes the bond should address his inquiry. While on the one hand we have the spectacle of wrecked fortunes following reckless accommodation, on the other hand we have forfeited obligations following in the wake of worthless bonds, endless litigation tagging after bondsmen who would save their property at the expense of their reputations. We need not dwell upon the superiority of the bond of a surety company over that of the individual, when the evil day draws nigh and the undertaking of a bond becomes a matured liability. Fieeter

than the nimble sixpence is the departure of the visible property of the individual who has "gone on a bond" merely for form, and finds that his obligation has become a veritable substance. The individual bond too often is found to have a deadly sting concealed in one or other of its extremities. It either wounds to the death the obligor or puts the obligee in *extremis*.

The surety companies with ample resources to secure their contracts, with means of ascertaining the character of every risk they undertake, with ample machinery to safeguard it, and with every incentive to protect those who accept their undertakings, and paid a fair consideration for their engagements, long ago demonstrated their merit. Long ago the corporate bond of a surety company should have superseded the individual bond, for the latter is a broken reed, unreliable and useless.

NATIONAL BOARD OF FIRE UNDERWRITERS.

The National Board of Fire Underwriters held its annual meeting in the Mutual Life Building on May 13. The attendance was large and the discussion animated. The eloquent address of the retiring President, Mr. W. B. Clark, President of the Aetna Insurance Company of Hartford, was the leading feature of the occasion. Mr. Clark said that it is a well recognized fact that the business of fire insurance in the United States as a whole does not pay the underwriter a dollar of profit. The assertion was ably supported by statistical evidence convincing and incontrovertible. Regarding tariff associations Mr. Clark said:

"While tariff associations are denounced by some as combinations, trusts, etc., they are not so in any obnoxious sense, but are formed for the purpose of establishing fair, conservative rates, based on large experience, and I might add are so established under the law of self-preservation. These facts and the tables I have prepared all go to show that such tariffs are not excessive, and do not and have not produced exorbitant profits out of policy holders, as is often charged; neither do such tariffs destroy competition, for the country is full of mutuals, Lloyds and non-tariff companies (so-called), and the assured have their choice. The tariff companies simply desire to receive such rates as will enable them to guarantee their customers absolute indemnity for every honest loss."

Mr. Clark expressed regret that agents are not more generally maintaining local boards, their usefulness having been absolutely demonstrated.

As to the National Board and its purpose Mr. Clark had this to say in part:

"And so this Board has for years addressed itself to other questions than rates of premium and commissions. It has placed itself on a higher plane in caring for matters in which the public are interested as well as the underwriters. From the moment that it was determined that this should no longer be a rate-making body its influence was increased in other directions, and it was in a better position to urge measures tending to lessen the fire waste of the country—a desideratum worthy the attention of all. With this in view you have made appropriations for inspection purposes in order that fire departments might be improved, and water supplies perfected; you have subscribed to and administered a fund for the punishment of incendiaries; you have collected and arranged statistics so that they may be helpful in ascertaining degrees of hazard; while unjust and inimical laws have been opposed, improved building methods encouraged, and many checks suggested and sometimes enforced to offset the constantly multiplying hazards of modern life."

In concluding his address Mr. Clark said:

"The calendar year 1896 proved, in spite of the business

depression, a favorable one for the fire underwriter; and in closing I beg to express the hope that each member will prove by a continuance of correct practice and maintenance of fair rates the utter falsity of the oft-repeated expression that 'underwriters cannot bear prosperity.'

A unanimous vote of thanks was tendered Mr. Clark for his instructive and able address.

There then followed a discussion on the question of discrimination against foreign companies.

Mr. Henry B. Eaton was elected President; Mr. E. C. Irvine, Vice President; Mr. R. B. Deeth, Secretary; and Mr. F. W. Arnold, Treasurer.

DEATH OF MR. EMIL OELBERMANN.

Mr. Emil Oelbermann, president and founder of the German-American Insurance Company, died at his residence, at Cologne, Germany, on May 1st, at the age of 63 years. Mr. Oelbermann for many years has held a prominent place in business circles both here and abroad. He was endowed with exceptional business sagacity and was successful far beyond the lot of most men. To his rare judgment were allied the strictest personal integrity and most affable manners. He was president of the German-American Insurance Company almost from its inception, and his wise counsel gave direction to its safe and prosperous course. Mr. Oelbermann was identified with many important business interests and leaves a large estate.

ASSESSMENT LIFE INSURANCE.

It is the fatal fault of assessment insurance that it provides no adequate safeguard for its continuance when assessments become burdensome.—*The Insurance Journal*.

Very true, but even the old-line companies have not yet discovered the panacea for poverty. Life insurance is not for those who cannot pay for it. Last year the 27 level premium companies reporting to the Connecticut Insurance Department had nearly \$139,000,000 of insurance go off their books by surrender and \$517,000,000 more by lapse, a total of \$656,000,000, while about \$76,000,000 terminated by death, \$12,000,000 by maturity, and \$26,000,000 by expiry, a total of \$114,000,000. Nearly six times as much insurance terminated before maturity as lived out its full days. What proportion of the \$56,000,000 of prematurely terminated insurance was surrendered or lapsed because of inability to pay premiums there is no means of ascertaining, but poverty had a great deal to do with it.

We have no desire to make comparisons (between level premium and assessment insurance to the disadvantage of the former. The two systems are as different as are investments in stocks and bonds respectively. It would be dishonest to claim that the only difference between them is in the price. Nor can the cost of the two kinds of insurance be fairly compared any more than the respective sums paid by policy holders who die at longer and shorter periods after entry.

It is a question each person must decide for himself whether he prefers to pay more for his insurance now and less in the future, or to pay less now and more in the future. We haven't any doubt that assessment insurance can be made a permanent institution, but not on the original lines. Assessments must be graded according to current age and kept so. The moment that an assessment company or association begins to make the younger members bear a part of the expense of carrying the older members it cuts off the supply of new blood.

Increasing the rate of assessment instead of the number of assessments is the only way an assessment association can perpetuate itself. That being made possible, assessment insurance will appeal to many who feel that they cannot afford old-line insurance, and may accomplish much good.

AN INSURANCE EDEN.

The report of the Insurance Department of the State of Washington is an exceptionally interesting document. There is a *surfeit* about it that is even more frank than ingenious. Of course the fire insurance companies and also the life insurance companies have been making big money in Washington, although the report mentions eight companies which retired from the State last year, adding the following comment: "The causes impelling these companies to retire are alleged to be that the promised prosperity has been sidetracked somewhere, and the exact whereabouts of restored confidence is not known. When these essentials appear on the scene, these companies promise to return." From this we infer that the Insurance Commissioner is an "ammosin' cuss," residuary legatee of the late Artemus Ward's "sarkism." Of course the excuse made by the companies for retiring was the vilest sham; they were making money without a doubt, but left the State merely to serve some ulterior purpose. That is a way that business concerns usually have; as soon as they begin making money they quit.

That the fire insurance companies are piling up mountains of wealth in the youngest State the Insurance Commissioner demonstrates by proofs strong as Holy Writ. In the first place, in 1896 they "received in premiums \$933,639.75, incurred losses amounting to \$109,750.54, and paid losses amounting to \$534,874.24, indicating that there were left over of unsettled claims at the close of business, December 31, 1896, the sum of \$123,083.70." The difference between losses incurred and losses paid in 1896 draws the following hopeful prognostication from the Commissioner: "It is confidently expected that the record for 1897 will show no such discrepancy."

But in not one year alone have the fire companies been draining Washington of its wealth; the suction pump has been getting in its fine work for many years. The scope of its operations is attested by a tabulated statement, with comments by the Commissioner, as follows:

This shows the amount of premiums paid by the people of this State, and the amount of losses sustained by the companies reporting to this office, from 1890 to 1896, inclusive. The year 1889, known as the "conflagration year," when the premiums paid were \$803,647, and the losses sustained \$3,457,960, is not included. Furnishing as it does such an extraordinary record, and the chances of it again occurring being about one in ten thousand, it has been, for manifest reasons, omitted from any list used as a basis of computing or estimating the future "premiums" and "losses" of fire companies in this state.

Year.	Premiums.	Losses Incurred.	Losses Paid.	Risks Withdrawn.
1890.....	\$1,774,139	....	\$885,097	\$64,104,856
1891.....	1,508,109	....	572,811	61,493,790
1892.....	1,574,899	....	680,359	64,537,341
1893.....	1,730,177	....	602,245	51,814,800
1894.....	1,123,204	....	749,282	49,865,518
1895.....	1,031,472	....	752,858	48,994,752
1896.....	933,639	\$499,790	534,874	55,779,757
	\$9,263,659	....	\$5,808,511	....

The net premiums are, therefore, \$4,161,148. Assuming, as the companies maintain, that the expense of securing this business is 35 per cent. of the premiums, we will deduct from the net premiums \$3,242,280, which still leaves as net profits

over and above losses and expenses the sum of \$918,868, an annual profit of \$131,266. After paying all their losses themselves, and all the expenses connected therewith, the people of the State of Washington have contributed the above amount as dividends to the stockholders of the companies during the past seven years.

It is a fact well known to fire underwriters that "conflagration years" don't count. As they occur only about once in "ten thousand" years, it would be absurd to take any note of them, and the Commissioner is justified in extending the "conflagration year" from his balance sheet. But let us see what the experience of the insurance companies in Washington in the last eight years, instead of seven years, really was, taking the Commissioner's own figures. We arrive at the following results:

	Premiums.	Losses Paid.	Expenses.
Year 1889.....	\$803,647	\$1,457,960	\$358,276
1890 to 1896.....	9,263,659	5,504,511	3,442,280
Total 8 years.....	\$10,067,306	\$6,962,471	\$3,800,556

For the eight years it appears that the total premiums received were \$10,067,306, and the losses and expenses paid were \$12,084,027, leaving a deficit of \$2,016,721, which, at the rate of the alleged annual profit of the companies in the past seven years, would require a little more than fifteen years to wipe out. If it happened that conflagrations occurred, say, once in twenty years instead of in ten thousand years, the prospects of fire underwriters in Washington would be so poor that even the Insurance Commissioner of Washington would not think for a moment of abandoning politics and going into the business of underwriting.

The life insurance companies doing business in Washington are also to be congratulated on their success in impoverishing that State. Thus the Commissioner says: "Of the \$505,401 paid to life companies, it is probable that about \$150,000 of that amount was paid as first premiums on 1896 business, 50 per cent. of which went to the solicitors. Of the remaining \$355,401, at least 10 per cent. must be charged to the cost of collecting, which would leave \$304,861 net, after expenses are paid. Deducting the losses paid, \$169,412, we have left \$135,449 over and above expenses of management and losses."

The Commissioner is not to be taken literally when he says "we have left \$135,449," etc. He means that the companies have mulcted the policy holders of Washington out of that sum. To be sure there is a little matter of \$13,146,476 of insurance in force on which reserves are to be figured, but that does not come within the scope of the Commissioner's criticism or knowledge.

We congratulate the insurance companies, both fire and life, who are fortunate enough to be doing business in Washington. As for the others, let us suggest that they start early for that fertile field, to avoid the rush which is bound to follow the general publication of the Washington Insurance Department's report.

SUPERINTENDENT VAN CLEAVE OF ILLINOIS.

The new Insurance Superintendent of Illinois is Mr. James R. Van Cleave. It was a foregone conclusion that his predecessor would go as soon as it was known that his anarchistic friend, Governor Altgeld, was defeated for reelection. Mr. Van Cleave is not an insurance man. Neither have been many insurance superintendents who have filled their office acceptably. The best test of an insurance superintendent is in what he does not do rather than in what he does. Mr. Van Cleave follows a man who occupied a prominent place in the front rank of insurance officials.

THE "GUARDIAN'S" POSITION.

We do not see that our position with reference to the Massachusetts Benefit Life is materially different from that taken by *The Guardian*, except that we think that Mr. Rolker should be given the chance to reinstate the association if he can, while our contemporary declines to see any good in him whatever. It still insists that the postponement of the policy holders' meeting to October means a funeral on that occasion. We trust that it is mistaken, although we cannot forego our opinion that the present efforts of so able and good a friend of assessment insurance as *The Guardian* are pointed in the direction of "furnishing the corpse."

As to the opinion entertained by *The Guardian* concerning the Litchfield management, our contemporary leaves no room for longer doubt in what it says regarding the inefficiency of that management when the assessment insurance law was pending in the Massachusetts legislature last year. *The Guardian* says:

Had wisdom ruled them in the management of the affairs of the Massachusetts Benefit Life, had the issue been met as it might have been met by a management that did not fear the opening of any skeleton inhabited closet; had frankness, openness and candor characterized their dealing with policy holders, even then, we believe, the proposed legislation might have been stopped and the association saved. But as it was, the recklessness of public opinion, incited by selfish men, was fed by the weakness of the management and its failure to meet the issue as bold men, conscious of the righteousness of their position, would have met it, and as a result the mischief is done, the association ruined and the interests of thousands of policy holders sacrificed.

Yes, if they had been "bold men, conscious of the righteousness of their position," and with no "skeleton-inhabited closet," things might have been very different. But the association is *not* ruined.

A SURVEYOR ESTRAY.

We always called him Billy. He was a perfect gentleman and never resented familiarity. Always considered the source.

We called him Billy from the time we ever saw him; we like to be sociable with people when they can stand it, particularly if they are high-toned.

We never apologized to Billy. Billy didn't expect it. He would have been disappointed if he had. Even when our bills and pants were not resented, it didn't make any difference to Billy. He gracefully submitted to our familiarity just the same.

Billy was one of those genial, cultivated gentlemen, with whom we could be familiar without his expressing his contempt. Billy could mask his feelings behind the suggestive smile.

There are people who are wholly unlike Billy. They take offence at familiarity. We always felt uncomfortable in their presence, even when they let us stay.

We wish there were more Billies. We are lonesome sometimes.

NOW IN MISSOURI.

The Guarantors is once more in Missouri as the result of a personal investigation by Actuary Augustus F. Harvey of the Missouri Insurance Department. This action is the strongest endorsement the company has yet received, for Mr. Harvey is of recognized ability, and his recommendation to rescind the action of the department in excluding the company from Missouri could hardly have been determined upon without his having been convinced that the Guarantors had been unjustly treated.

COMMISSIONER MERRILL ON ASSESSMENT INSURANCE.

Commissioner Merrill, in his annual report on life insurance for 1897, shot so heavily a loaded gun at assessment insurance that he appears to have got hurt from the recoil, and a revised edition of the report has been issued. As originally put out the report left the commissioner in a position which subjected him to criticism for inconsistency, while the revision still leaves him an avowed enemy of assessment insurance of every form, if we read his amended views correctly.

Of the early history of the various forms of "hat passing" and "pay as you go" insurance, the commissioner's denunciations are none too strong. Out of the follies, and even the fraud of the past, however, has developed a system of assessment insurance, which flies no false colors and which is wholly unlike the "bubble schemes" Mr. Merrill denounces.

However, we give as much space as we can spare to Mr. Merrill's remarks, showing also in parallel columns the changes made in the revised report:

The evolution now is complete; out of the sixty-two assessment life companies organized under the early law only two now remain, and these two by successive "movements" have brought themselves, so far as can be done by adoption of rules, resolutions of the board, campaign literature and general assumptions, into full-fledged old-line life insurance companies, in every particular except the trifling absence of the basement and foundation of the business, the reserve. They are now in the same position, therefore, as any old-liner (of similar size, age and health conditions) would be if suddenly divested of its many millions of reserve held indispensably to protect the future of its policies.

(Original.)

The experiment is also complete, and the present condition of the Massachusetts Benefit, with its heavy loss of nearly one-third its membership within the year, and the constant gain and strain of death claims, under the impaired vitality resulting from this selection against the association by the flight of healthy members, and the heavy burden of meeting the inevitable losses of the near future, shows most conclusively that the assessment plan of whole life insurance, although carried on under the most

(Revised.)

The experiment is also complete, and the present condition of the Massachusetts Benefit, with its loss of nearly one-third of its old membership within the year, and the constant gain and strain of death claims, under the impaired vitality resulting from this selection against the old plan by the flight of healthy members, and the heavy burden of meeting the inevitable losses of the near future, shows most conclusively that the pure assessment plan of whole life insurance, although carried on under the most lenient and favorable laws and under the most lenient and favorable interpretation of them by the insurance department, by a board of managers excelled by those of no similar association in this country in sagacity and intelligence, with a well-selected membership of over fifty thousand, has utterly failed to meet the early promises of the advocates of this scheme. For, although this association has now come to adopt a scale of rates very much the same as the old-liners use for whole life policies, these rates can apply only to healthy, selected, insurable lives, while the risks now running in this association are necessarily considerably of an inferior and uninsurable character, both because of the natural decadence of vitality in the distance of time from their selection, and still more from the adverse selection against the association by the desertion of healthy lives on account of the well-known causes now in operation. But, even if not, the fatal omission of the reserve provision, inseparable from the level-premium plan, would render the scheme impossible, and another and higher adjustment imminent and inevitable.

While it may cause a little sacrifice of pride of opinion, the matter might as well be looked squarely in the face, and the legislature be asked to effectually put a stop to a plan to which can no more meet its pretences and will be just as sure to end in disappointment (although fortunately without the stain of such dishonesty) as did the famous endowment associations which finished their experiment in 1890. The assessment, or,

better, the natural premium plan of life insurance has a sphere and a mission, which it can fill with honor and usefulness, and that is, furnishing temporary insurance up to age 60, or possibly 65, upon the pure cost plan.

The costs of temporary yearly insurance range from \$7 per \$1,000 at age 20, \$8 at 30, \$10 at 40, \$15 at 50, \$30 at 60, \$44 at 65, \$65 at 70, \$75 at 75, \$140 at 80, \$205 at 85, etc.

From this will be seen that a plan of yearly insurance on the yearly cost rates, advancing year by year with the age, can be carried on up to age 65 (or, perhaps, 65), without a distressing cost. And if it can be confined to this scheme, there is no reason whatever why it cannot meet a great need and be successful.

(Original.)

Beyond that age investment insurance cannot go.

(Revised.)

Beyond that age pure assessment insurance cannot go.

This is proved beyond a doubt by the experience of scores of such attempts, and notably by the great fraternal, who are now looking to the yearly or five year renewable plan, having proved beyond question that the fixed entry rate for the whole term is impossible. They have also, however, yet to wrestle with the old age problem, and what plan can be devised for the protection beyond 60 (or 65) is as yet undeveloped.

But it is clear that, if all of this class of insurance can be reconstructed and devised of the old age problem by permitting none to remain beyond the prohibited age, the great want of insurance in the masses would be wholly filled and served.

(Original.)

If any one desires whole life insurance let him go where alone it can be safely and surely furnished—the level premium reserve companies.

(Revised.)

If any one desires whole life insurance let him go where alone it can be safely and surely furnished—the companies with a judicious rate of premiums.

There is one point which the assessment companies have heretofore seldom or never conceded or nervously attempted to explain away, and that is its actual cost. If all the payments on an assessment policy in a term of years are added together in a particular instance, and then all the payment for a similar amount and kind of insurance in an old-line company are similarly added, the difference in amounts will be found fully accounted for in the dividends paid and the reserve remaining to the credit of the old line policy, which later in a Massachusetts company is returnable in a cash surrender value (less a small surrender charge). And the vital advantage is always in the old-line policy, in that it gives the privilege to continue without increase of rate.

(Original.)

If the assessment companies are not now able, through the obligation of contracts in existence, to make these changes in their plans, they can do so by act of the legislature and the courts. For instance, as certain failure and bankruptcy are before them in their present course, let the legislature be asked to change the law as to future business; then let them petition into bankruptcy on present business, thus closing out all the whole life contracts, and then start under the new plan of term insurance as regards all members not over fifty or fifty-five.

The pure assessment plan is alluring but specious.

It is very pleasant to be told that your insurance will cost you only one-half the price the old-liners charge; that the difference in amounts charged by the two classes is the reserve, which the old-liners use to build fine offices and pile up in great useless investments, while in the assessment companies you can keep this sum in your pocket, and it is just so much saved. If this were all true, it would be a grave comment on the honesty and intelligence of all connected with the old-liners, both office and policy holders. That the latter should be willing to pay and the former to take these enormous sums through such a long series of years under such conditions would be the most marvelous concurrence of folly and greed on record. The evolution of the assessment system, however,

is a sufficient vindication of the old-line system, and renders any denial of such charges needless at this day.

There is one fact in common to all plans of life insurance, whether old-line, natural, assessment or fraternal, and that is that the members will die off at the same rate in each. "Providence has fixed the mortal law, and man has not the wit to defeat it." As age advances, the failures of life are more and more frequent, and in consequence the insurance costs are higher and higher in the same proportion. If then, 7,000 persons at age 30 enter into an engagement that \$1,000 shall be paid upon the death of each, it is clear that \$1,000,000 will have to be provided in some way if the engagement is to be met, and the question is, how can this most surely and conveniently and equitably be done?

The natural premium, assessment, and fraternal systems are essentially the same; that is, however differently they may collect their funds, their plan only provides year by year for the costs of the current year, without reference to any other year. And it follows inevitably that the costs of each succeeding year must show an increase over the next previous in proportion as mortality increases with the ageing of the membership. No one, from the day of the origin of modern insurance, has ever disputed this; but it has been constantly claimed until recently that the continual accession of new and fresh members—new blood theory—would operate to keep down the average age, and so offset the otherwise increasing cost. The average age new blood theory is a mar's nest. For instance, at age 20 the cost of insurance for the year is \$7. At 60 it is \$37, making an average of \$18.50 for each of the two lives for one year; now, 40 is the average age between the two, but the cost at 40 is \$12. Again, the cost at 20 is \$7, and at \$50 it is \$145, making an average of \$73.50 for each; while at age 55, the average age between 20 and 65, the cost is \$16.

That the "average age new blood" theory is fallacious and valueless is further and graphically illustrated by the experience of the greater fraternal, which have gone on constantly from their inception, increasing by greater and greater strides yearly in accessions to membership, but as steadily and constantly is the cost of their insurances creeping upward.

The posing of this fallacy, then, leaves the assessment plan back in its original purpose—the collection of funds for the payment of losses as they occur, without reference to the future. But time, "which proves all things," has now clearly shown that this process cannot continue without limit; and while it is very possible by this plan to furnish temporary insurance at convenient cost, yet, when it is attempted to carry the process through whole life insurance, the increasing costs at length become prohibitory, and the scheme sinks in disappointment and disaster. And the question prudent business men have been asking themselves for quite a while is, "What are you going to do about it?"

In the light of the experience now acquired, stripping the subject of all the worn-out pretensions and exploded impostures that have infested it, it may be profitable to look to the basis of this business, and see whether the width and material of the foundation ever justified its pretentious superstructure.

Throwing aside all "pass-the-bat" and similar economical schemes, let us take the most favorable process under which the assessment plan is possibly applicable—that of natural premium, meaning by this the charging each year for the cost of insurance, due to that age, according to the approved table of mortality, and increasing this cost year by year, as advancing age demands.

In order to make the illustration clear, let this plan be compared with the pedant and well-proved methods of the level premium, legal reserve, or old-line business. In this illustration no account is taken of any expenses or other charges whatever—noting but the naked theory and results, indicated by the assumptions of the tabular rates.

It will be observed that at no time, under the level premium plan, does the company have at its own risk the full \$1,000, but the \$1,000 less the reserve belonging to the policy; and that the amount at risk constantly decreases as the reserve from

year to year increases, so that for a long series of years the net annual premium is sufficient to pay this cost, besides aiding to increase the reserve; and when the point is reached at which the annual premium is no longer equal to the cost of the risk, the balance is made up by a portion of the interest on the reserve. The adjustment is so perfect that in no part of the progress of the policy is any increase of the annual payment needed, and, if continued to the end of the table, the reserve will then exactly equal the face of the policy. Under the level premium plan the policy holder pays more in the early years than is needful to meet the cost of the risk, and the balance is laid up in reserve to equalize the cost of later years, and thus keep it down within the ability of the level premiums to provide for it.

It will be seen that under the level premium plan two funds are provided for by the premium—the reserve and the cost of insurance fund. The latter is the computed amount that this policy should contribute year by year to pay for the policies of those of this class that die during the year; and this "cost of insurance" fund is calculated to be the exact amount which, when added to the reserves of the policies of those of that class who die during the year, will make up the sum insured and satisfy the policies in full. So the payment of a death claim would be after this fashion: First, the computed reserve is taken from the reserve funds of the company, then to this is added sufficient of the cost of insurance fund of that class for that year to make up the face of the policy. Thus during the term of his insured life the policy holder has contributed his share to the losses of others in precise proportion of the cost of his own risk borne by the whole, and has laid up in the hands of the company a reserve to keep down his own risk within the capacity of the premium, and at last to aid in the payment of his own policy.

If, then, the insured dies while his policy is in force, it will be seen that every cent of the net premium he has paid is accounted to his own proper share of costs and to his own benefit. If he should not die while his policy is in force, but should allow it to lapse, whatever he has already contributed towards the common costs of the insurance has gone to pay losses of others, but the reserve remains to his own credit (save a small fine which in a Massachusetts company the state exacts as a penalty for non-completion of his engagement), and may be withdrawn in cash upon his retirement; and thus again are accounted for his entire contributions to the funds of the company.

Returning now to the natural premium or to the assessment plan: Referring to the illustrative table, it will be seen that the amount called for year by year in column three is what the insured would be expected to pay as his share for the losses of that year,—it is simply the computed cost of insurance per \$1,000, without any provision for reserve, there being no possibility of reserve under this plan. As there is no reserve, of course the amount at risk each year would be the full face of the policy, and the premiums must increase with the age throughout the entire continuance of the contract. After a certain term of years, averaging about twenty, but varying with the age of the insured at the time of entry, the cost will have advanced to equal the net level premium of the old-liners.

Up to this point the natural premium charges have been easy to meet, and, as respects the size merely of the money paid out year by year, present a blooming contrast to the level premium; but there the comparison ends, and from this point onward there is nothing but the unrelenting call for more and more, until in the advancing age it becomes impossible to meet, and the dream ends in disappointment and despair. As respects the effect of the payments, when it is reflected that the reserve under the level premium enables the insured to continue his policy at pleasure without increasing cost, and that upon lapse the amount to the credit of the policy fully equals the "reserve key in the pocket" under the natural premium plan, the comparison in respect to cheapness no longer favors the latter.

The advantage of the level premiums, beyond the vital one of securing absolute firmness and stability to the institution, is that of permitting the insured to continue his contract to the very end, however remote it may be, without any need for the

increase of his rate. To the natural premium policy this is not possible; it pays "cost of insurance" in exactly the same proportion as the level plan, but, having no reserve to counterbalance this cost, when it shall have advanced to the point where it meets and passes in size the level premium, all beyond is disappointment and confusion, and in case of lapse there is no possible surrender value.

In relation to existing conditions as to policies of life insurance upon the assessment plan, where such have been continued for a considerable number of years, it is impossible to suggest any considerations or legislation which can remedy the complaints of largely increased assessments. The policy holders had their insurance in the early years at a very much less cost than was demanded by the level premium companies, and as an inevitable result larger amounts must now be paid.

The experience of the past twenty years has clearly revealed the fact that assessment insurance, in order to be carried on successfully, must realize, in all of the younger ages, an amount of assessments annually approximating the rates of the level premium companies, with an emergency fund nearly equal to that of the reserve required by law of the latter corporations; or, that after a considerable period, the assessments must be so largely increased as to become a burden which in later years of life is impossible to be borne. While it is difficult, if not impossible, now to remedy by legislation or by practice the difficulties which exist in regard to these policies taken fifteen or twenty years ago, and upon which very low rates were paid for a series of years, it is time for the legislators of the commonwealth to consider whether there should not be for the future an abandonment of assessment insurance in the form in which it has thus far been carried on, and the adoption in its place of the natural premium plan,—a gradually increasing rate from year to year, with the distinct legal requirement that such policies should absolutely cease and determine when the insured has reached 60, or at the outside 65, years of age.

INSURANCE AND MATCHES.

In the April number of the *Consular Reports* appears a communication from Thomas Ewing Moore, Commercial Agent at Weimar, discussing the causes of fires in Germany. We publish the letter on another page. Mr. Moore records the official sentiment that the cheap price of matches is a prominent factor in the increase of fires, and says that "it is remarkable how many fires have their origin in these small articles." It is a surprising fact, no doubt, although the business end of a match is designed expressly for the purpose of originating fires. To prevent fire waste by abolishing matches or making their cost excessive seems to us to be impractical. At least in this country, the people would not take kindly to the proposition to return to the use of the flint or the burning glass, or to adopt the old Indian method of exciting friction between two pieces of wood, merely to reduce the loss ratio of fire insurance companies.

MAGDEBURG FIRE INSURANCE CO.

The annual statement of the Magdeburg Fire Insurance Company shows that on December 31, 1896, the company had assets aggregating \$5,118,174. The company had a paid up capital of \$750,000, and in addition \$3,000,000 of stockholders' promissory notes, which may be considered available assets as far as the creditors of the company are concerned. After providing the proper reserve for all liabilities, there is a surplus of \$1,897,174, equal to 80 per cent. of the reserve liabilities, so there is little chance of the shareholders being called upon to pay their notes. During the year 1896, the premiums received amounted to \$5,946,540, and after providing for all losses and expenses there was a profit of \$568,500. Of this amount \$375,000 was distributed among the stock-

holders in dividends. The company has on deposit in this country \$300,000, of which \$100,000 is in Massachusetts and \$100,000 in Ohio. The Magdeburg is doing business in 25 states in this country, and is steadily extending its operations.

PERHAPS.

Superintendent McNall's antipathy to tornado insurance may perhaps be inspired by his own rejection as a risk. But it is the province of companies doing that class of business to insure against cyclones and not write cyclones themselves.

FIRES AND FIRE INSURANCE IN GERMANY.

(Consular Reports, April, 1897.)

In Germany, fires resulting from all causes, but especially those due to incendiarianism and carelessness, are on the increase. Germans express some consternation at the recently published statistics of eighteen of the most important fire insurance companies.

In spite of severe police regulations and laws looking to the introduction of fireproof constructions and generally of a more massive style of buildings, the increase in the number of fires in recent years has been rapid, the year 1895 being especially unfavorable in this respect. Concerning the various causes of fires, it is striking that more than 50 per cent. were due to incendiarianism or carelessness in handling lights or fire. Under these two heads there were 24,786 losses in 1895 against 20,959 in 1894. This increase (3,827 losses) is regarded as alarming.

Insured property shows a much larger percentage of losses, due to incendiarianism, than that uninsured, showing that in many cases fictitious values are carried in fire insurance policies, and there is a desire on the part of the insured to realize on unprofitable property.

It is deemed advisable that Germany follow the example of France, Russia, Italy, Spain, Greece and Portugal, and levy a heavy inland tax on matches. Herr Blanck, director of the royal Prussian bureau of statistics at Berlin, regards the cheap price of matches as a prominent factor in the increase of fires, owing to the constant danger incurred in their use and handling. From this cause alone resulted 4,639 fires in 1895, more than 25 per cent over the preceding year. It is remarkable how many fires have their origin in these small articles; nor is the general impression that children are mostly to blame for such fires true, for the statistics show that, on the contrary, only 1,791 were caused by children under twelve years, while the remainder (2,848) were traced to older persons.

Herr Blanck is of the opinion that Germany should either levy a tax as above mentioned or monopolize the manufacture of matches, which would have the additional advantage of being a regular source of income to the State. France made 20,500,000 francs (\$3,958,500) from her match monopoly in 1894, and Russia 24,000,000 marks (\$5,718,000) from the same source in 1895.

Other causes given for fires during 1895 were as follows: Defective chimneys and flues, 8,306; sparks from locomotives and locomobiles, 79; petroleum explosions, 1,392; explosions of gas and steam, 144; lightning, 990. Three hundred and twenty-five fires were attributed to spontaneous combustion, of which 120 originated in hay, the remainder in coal, turf and matches, with a few in cottons, woollens and chemicals.

The total number of fires in insured property in the German Empire (and in German companies) during the year 1895 was 27,217, an increase of 7,793 over 1894. The number of policies written against these losses was 59,974. The year was a very bad one for German fire insurance companies.

The thirty German fire insurance companies had in 1895 an income of 124,360,000 marks (\$19,597,680) from premiums on policies, giving a net profit of 2,555,000 marks (\$ 38,090), or 3.62 per cent. The premium reserve account amounted to 46,761,000 marks (\$11,189,118).

THEO. EWING MOORE, Commercial Agent.

WEIWAR, Nov. 17, 1897.

RECEIVED WITH THANKS.

Insurance Report, Vol. I, Nos. 1 to 4 inclusive, published by Garrett Brown, at Denver, Col. It is not necessary to see—or hear—Pike's Peak to discover that there is less "room at the top" since Garrett Brown located his new insurance venture at Denver. The *Insurance Report* is a very interesting paper, edited with originality and brains, and printed and illustrated in artistic excellence.

OBSERVATIONS.

Superintendent Merrill's modification of his dynamite report does not indicate a change of heart, merely a change of head.

"May I ask what is going on in the village?" inquired the observant stranger.

"We're celebratin' the birthday of the oldest inhabitant, sir," replied the native. "She's a hundred an' one to-day, sir."

"And tell me, pray, who is that little man with the dreadfully sad countenance who walks by the old lady's side?"

"That's her son-in-law, sir. He's been keepin' up her life insurance for th' last thirty years."—*Cleveland Plain Dealer*.

The long litigation between the American Surety Company and the Toledo, St. Louis and Kansas City Railroad has ended in a decision by the United States Circuit Court of Appeals at Chicago in favor of the American Surety Company. Its claim is given precedence over the first mortgage on the railroad and the company will secure about \$375,000.

Insurance Opinion shows a capacity for vigorous English when the occasion arises, but why select the editor of *Insurance* for its object? He is harmless.

Superintendent Waddill of Missouri in his farewell report says: "I am of the opinion that there is no business or science of such large and vital moment to all the people about which so little is known or understood, even by the intelligent and educated. Outside of insurance circles, insurance—as a science or business—is a *terra incognita*." True, too true.

The *Insurance World*, by the prompt issue of a supplement copiously illustrated, displayed extraordinary enterprise and gave incontrovertible evidence that the Pittsburgh fire was a big event. The *World* is to be congratulated upon its valuable contribution to historic and illustrated insurance journalism.

Mrs. Kelly: "Yes, Mrs. Casey, me hooshand left home two waks ago, an' o' hav'n't seen him sinst."

Mrs. Casey: "An' phwat made him do that, Mrs. Kelly?" Mrs. Kelly: "Faith, de doctor says he tinks he run away in a fit of temporary sanity."—*Harper's Bazar*.

The *People's Companion* speaks of "the habit of companies which insure against accidents to compel their patrons to resort to the courts to recover in case of injury." It is a "habit" more honored in the breach than in the observance. Such a wholesale libel is unpardonable.

The New England Burglar Insurance Company has shaken the dust of Chicago off its feet. It was not in it with the burglars in that city; had they been put to the test they would have been able to prove that they could steal more than all the burglary companies could pay for. The moral hazard is big in Chicago.

Mr. Louis N. Geldert of the *Insurance Herald* has abandoned journalism and been appointed superintendent of agents of the Southern department of the Washington Life. Mr. Geldert has our best wishes for his success, and will undoubtedly deserve it.

"And did the groom kiss the bride?"

"Oh, yes."

"Before everybody?"

"No; after everybody except the sexton and the organist."
—*Pittsburg Post*.

The *Insurance Counselor* gives warning that all the matter in each issue of that paper is copyrighted. That seems to be a serious reflection on its assessment friends, for no old-liner would be fool enough to steal from the *Counselor*. A red hot stove isn't a circumstance to the *Counselor's* attacks on the level premium companies.

A clergyman who recently called upon a young widow to condole with her upon the loss of her husband placed considerable emphasis upon the proposition that the separation was merely temporal, and painted in vivid colors the happiness of friends reunited after death. When he stopped for breath, the sorrowing one heaved a deep sigh and quietly remarked: "Well, I suppose his first wife has got him again, then."—*Chicago Times-Herald*.

The *Journal of Commerce* considers Hon. John A. McCall the most graceful man in the insurance business in the matter of dispensing favors. The old woman who kissed the cow at last has a rival.

The hen or the egg question is involved in a suit now on trial in Detroit. This time the issue is whether the fire or the explosion did the damage. A number of companies and dollars are involved.

We should like to see the fire underwriters in the State of Washington adopt the plan they are seriously contemplating and take themselves out of the State. It will pay the companies in the end better than having the law declared unconstitutional by the courts. In the latter case devilish ingenuity will concoct another law, possibly still worse.

It is promised that National Supervision of Insurance will shortly make her bow in Congress. A national insurance commission will prove tempting bait to the national law makers, and they are pretty sure to rise to it.

The Pennsylvania Retaliatory bill has passed the Senate, and it may yet have a chance to tackle the constitutional law of Editor Davis. Between retaliation and protection the insurance business may lose even the poor alternative of the deep sea.

The Pennsylvania Revenue bill provides for a tax of eight mills on the dollar on the gross amount of premiums and assessments received in the State by all insurance companies incorporated by the State, excepting mutual companies and mutual beneficial associations, and of four cents on the dollar on the premiums of all business done by foreign insurance companies in the State. That is "protection" at the rate of 5 to 1.

First Chappie: "I wonder now, Chollie, how the donkey ever came to be used as the—er, emblem of stupidity?"

Second Chappie (with a yawn): "Don't know, I'm sure, dear boy; must have been before our day."—*Brooklyn Life*.

Should the editor of the *Insurance Monitor* have a fire, we think he would revise his opinion as to the practicability of making an inventory of the "stuff in the house." If he thinks every item is "familiar" to him, "as well as the time it had been in use and the money it cost," let him try making an inventory with his eyes shut, without waiting for a fire.

The Mutual Life is serving its policy holders in fighting the Charles Pfeiffer case. People who take out \$175,000 of life insurance ought to have visible means of support.

The Dundee insurance anecdote which the *Insurance Journal* cribbed from the New York *Saw* is 20 years old within our recollection, and it may have been "born again" when we first heard it.

Have the New York Life and the Central National Bank of New York yet come to an agreement about the size of that deposit? McNall's curiosity is pardonable in this case.

Massachusetts Benefit Life Association OF BOSTON.

Statement of Business for 1896.	
Policies written during 1896	16,543
Insurance applied for in 1896	\$17,206,000.00
Insurance written in 1896	14,900,730.00
Total assets	1,197,880.91
Amount paid in losses	9,053,066.60
Total amount paid in losses since organization	15,690,480.85
Insurance in force	\$6,987,600.00

JOHN HENRY BOLKER, President.
Hon. CARROLL D. WRIGHT, 1st Vice-President.
Hon. HIRSH A. TUTTLE, 2d Vice-President.

Penn Mutual Life Insurance Co. OF PHILADELPHIA, PA.

GROSS ASSETS	\$28,481,109.00
SURPLUS	3,594,166.19

The Penn is purely Mutual. Insurance is furnished at exact cost. Its factors—morality, interest and expense—have all been highly favorable in this company. All policies are absolutely NON-FORFEITABLE for reserve value, the latter being applied to "EXTREMES" of "PAID UP," as may be desired. Its policies are free from technicalities, and become INVARIABLE for any cause after two years.

EDWARD M. NEEDLES, President.
HARRY F. WEST, Vice-President. JOHN W. HANER, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. L. LIPPINCOTT, Mgr. of Agents.
JESSE J. BARKER, Actuary. H. H. HALLOWELL, Asst. Sec. & Treas.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.



Bonds Issued for Employers, Administrators, Guardians and in Judicial Proceedings.

W. L. TRUMBOLD, President.

HENRY D. LYMAN, Vice-President.

Resident Trustees, New York.

Wm. A. Wheeler,	Henry H. Cook,
F. W. Vandergrift,	Wm. H. Knapp,
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Isabel G. Collins,	C. L. Tiffany,
Walter R. Robinson,	Ed. M. Foley,
Wm. Nelson Townsend,	Wm. A. Nash,
Charles M. Dwyer,	Edwin S. Foster,
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Geo. F. Vetter,	John A. McVee,
H. D. Lyman,	Andrew Hille,
Henry H. Bond,	Jan. Hoffman,
Wm. L. Trumbold,	

CAPITAL - \$5,000,000.

BOOKED IN SUPER-SURPLUS.

Statement, December 31, 1896.

RESOURCES (including capital, \$5,000,000).....	\$5,175,863.74
LIABILITIES (including reserve, \$66,800,000).....	\$66,100.01

1860—1897.

United Firemen's Insurance Co.,

PHILADELPHIA.

Assets, January 1, 1897, - - - - -	\$1,426,021
Surplus to Policy Holders, - - - - -	502,568
Capital, - - - - -	300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life Insurance Companies of the World!

The Prudential

HAS

Assets, - - -	\$19,541,827
Income, - - -	14,158,445
Surplus, - - -	4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well as Industrial business, and offering exceptional advantages to its Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA.

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REPRESENTATIVE BUSINESS CONNECTIONS
MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.

Assets, \$1,426,593.70.
Net Surplus, \$333,279.19.

The *Guarantors*
LIABILITY-INDemnITY-COMPANY.
OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager.

713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S.C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1826.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 6, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING,
PRESIDENT.

CHAS. S. WHITNEY,

VICE-PRESIDENT.

E. S. SAVAGE,
3D VICE-PRESIDENT.

JOHN NAPIER,

SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower rate of expense than any other company.

S. STANLEY BROWN, General Manager, London. GEORGE MUNROE ENDICOTT, Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG FIRE INSURANCE CO. OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLSON, President Central Trust Co., New York,
ERNEST THALMANN, of Lauenburg, Thalmann & Co., Bankers, New York.
WILLIAM ALEX. BUTLER, of Butler, Notman, Johns & Myrdal, Counselors at Law, New York.

F. E. RANOR, Manager.

AD. DOHMEYER, Asst. Manager.

THE Lancashire Insurance Company OF MANCHESTER, ENGLAND. 25 Pine Street, New York.

General Manager, - - - DIGBY JOHNSON.

January 1, 1896.
Assets, - - - - - \$2,807,856.04
Liabilities, - - - - - 1,567,814.75
Net Surplus, - - - - - \$770,041.84

Trustees in the United States.

DONALD MACRAY, Esq., of Vermilye & Co.
CORNELIUS S. BLISS, Esq., of Bliss, Feltus & Co.

H. J. FAIRCHILD, Esq., of The H. B. Child Co.

EDWARD LITCHFIELD, Manager New York Office.

H. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserve for Insurance in force, etc.....	4,512,134.27
Net surplus	5,364,516.70
Policy-holders' surplus	5,564,516.70
Gross assets	7,776,347.13

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 48 Cedar St., New York.

F. C. MOORE, President.

HENRY EVANS, Vice-President.

EDWARD LANNING, Secretary.

R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GED. E. KLINK, Asst. to Gen'l Mgr.
Western Department, REALTY BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

G. LEE STOUT, Pres. THE J. R. MULLIN, Secy.

MERCHANTS'

INSURANCE CO.

OF NEWARK, N.J.

BONDS OF SURETYSHIP.

The Guarantee Company

of North America,

Head Office, Dominion Square, Montreal.

The Oldest and Largest in America.

EDWARD RAWLINSON, President and Managing Director.
RUSSELL & COMMON, Auditors.

BRANCH OFFICES.

New York—111 Broadway, J. J. Thompson, Secretary.
Boston—41 Central Street, Geo. W. Grosvenor, Attorney.
Chicago—Roosevelt, The Tribune, J. R. Frantz, Secretary and Attorney.
Philadelphia—407 Mutual Life Bldg., A. F. Nelson, Resident Secretary.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets, - - -	\$232,141.03
Liabilities, - - -	189,778.24
Surplus, - - -	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.

ASSETS	\$9,611,198.91
SURPLUS	\$46,179.96
LOSSES PAID	7,434,000.96

CASUALTY INSURANCE SPECIALISTS.

Bonds of Suretyship for persons in positions of trust.
Personal Accident, Fidelity (Glas. Audley, Elevator,
Employee's, Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.

ROBERT J. HILLAS, Treas. and Sec.

EDWARD L. SMITH, Asst. Sec.



London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,

NEW YORK.

A. G. McILWAINE, Jr.,

Manager.



MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK.

(A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$200,000.00
Reinsurance reserve and all other liabilities	546,975.47
Net surplus	\$77,191.56
Total assets	\$1,000,000.00
Losses paid since organization	\$1,000,000.00

R. A. LORWENTHAL, President.
W. A. FRANKS, Secretary.

AARON CARTER, Vice-President.
H. W. KAHN, Assistant Secretary.

1850.

1896.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty-six years of practical life insurance, which has taught it that the more good men of success in the adoption of good plans of insurance, and the pursuit of a liberal policy towards both its insured and its agents. These conditions it possesses in an eminent degree, but judiciously tempered by that conservatism which in the best points safeguard of the policy holder. Its contracts are incontestable after two years. They are non-forfeiting, providing generally for either partial or full payment of grace in payment of all premiums. Its course during the past forty six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. HURFORD, President.

G. P. FRANKLIN, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANLEY, Assistant. ARTHUR C. FERRY, Cashier.
JOHN F. MUNN, General Director.

FINANCE COMMITTEE.

GEORGE O. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
C. E. PERKINS, Jr., President Importers and Traders' National Bank.
JAMES B. FLINN, Leather.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GULE, Manager.

J. J. FURKELL, Assistant Manager.
A. W. THORBURN, Secretary.

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital.....	\$200,000.00
Total cash assets.....	\$10,316.45
All liabilities, including reinsurance reserve.....	\$78,813.16
Net surplus.....	\$9,489.29

ANDREW J. ARMSTRONG, Sec. GEORGE S. PORTER, Pres.
J. JAY NEWELL, Asst. Local Dept. HENRY ADAMS, Jr., Vice-Pres.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital.....	\$1,000,000.00
Reserve for insured premiums.....	1,314,673.24
Reserve for losses under adjustment.....	67,588.48
Reserve for all other claims.....	28,546.46
Net surplus.....	1,406,808.18
Total assets.....	\$3,914,711.27

HEUGO SCHUMANN, President.

FR. VON BERGMANN, Vice-President. CHAR. RUYKHAER, Secretary.
GEO. B. EDWARDS, GWYNETH KEITH, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

HON. GEORGE A. COX, J. J. KENNY,
President. Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - -	\$1,636,689.35
Surplus in United States, - - - - -	547,731.08

HANOVER

FIRE INSURANCE CO.

Of New York.



AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.



FOR FIRE INSURANCE.
Assets in United States, \$9,991,944.71
Net Surplus, \$99,485.94
Writing Large Lines on Desirable Locations.
Applications for Agencies or Information should be addressed
For Eastern and Middle States:
WILLIAM BELL, WILLIAM WOOD, JERRY KANANAN,
WILLIAM M. FALLARD, Branch Secretary.
21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION ASSURANCE CO., (LIMITED), OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

HAVE YOU
SEEN THE LATEST AND BEST POLICY?
SUBJECT TO THE
INVALUABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS: **UNION** Incorporated 1866.
Tontine **MUTUAL** Reliable
Annual Divi- **LIFE** Agents
dend or Insurance Always
Renewable Company, Wanted.
Term. **PORTLAND, MAINE.**

FRED T. RICHARDS, President.
ARTHUR L. BATES, Vice-Pres.
EDWARD D. SCOFFIELD, Supdt. 119 American Trust Building,
Address either: 150 Nassau Street, N. Y. City.
THORNTON CHASE, Supdt. 41 Adams Street, Chicago, Ill.

NEDERLAND Life Insurance Company (Limited), OF AMSTERDAM, HOLLAND. Established 1858.

SPECIAL FEATURE: Combination Term Policies.
Low Rates. Ample Security.
874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.
JOHN CHERRY BROWN, of Messrs. Brown, Brown & Co., Bankers.
AMOS T. FRENCH, Vice-President of the Manhattan Trust Co.
JOHN D. KELLEY, New York.
JAMES B. FRYER, New York.
CHARLES E. WHITEHEAD, of Messrs. Whitehead, Deane & Osborn, Coun-
sellors-at-Law.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SEVERAL to Policyholders, \$200,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK

Chartered 1849.

THE OLDEST NEW YORK COMPANY IN ITS LINE AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1892.

Assets, \$462,179.22
Capital and Net Surplus, 316,875.77

EUGENE H. WINGGREN, President
DAVID D. WATKINS, V. President
S. W. BROWN, Sec'y.
CHAS. F. FORD, Gen. Agent,
New York & La Salle Sts., CHICAGO.

NEW YORK UNDERWRITERS AGENCY

(INCORPORATED 1861)

Local Agents in all Prominent Locations in the United States.

Office: 100 William Street, New York.

A. & J. H. STODDART, General Agents.

THE Manhattan Life Insurance Company,

NEW YORK.

THE WASHINGTON Life Insurance Company OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1832.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary.



THE KANSAS (INSURANCE) GRAVE DIGGER A RESURRECTIONIST.

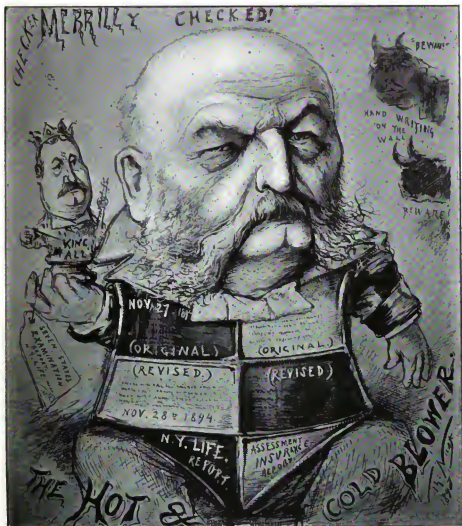
THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, JUNE 2, 1897.

No. 13.



"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED WEEKLY BY

THE INSURANCE OBSERVER CO.,

95 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$1.00 per annum.

European Subscription (postage free), - - - 2.50 " "

Payable in Advance.

Single copies, - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - - - MANAGER.

JOHN S. HANSON, EDITOR.

THE CLARKSON RATE BOOK IN KANSAS.

The insurance companies which have agreed to abandon the use of the Clarkson rate book, in deference to the popocratic spleen of Superintendent McNall, have not done wisely. It may simply entangle them worse in the meshes of that Webb, and the Kansas spider, having tasted blood, is likely to be more ferocious than ever.

AFTER SLAVS AND FINNS.

It is nearly three years since the insurance commissioners of seven states examined the New York Life Insurance Company, and as a result of their investigation, embodied in their report a criticism of the foreign business of the company. They said that they were "unable to conclude that the general and permanent interests of the United States members, for whose benefit alone these companies were created, are in any degree or sense promoted or improved by importing into their body a mass of Finns and Slavs, South Africans, East Indians and Patagonians, or indeed any foreign element at all." (The italics appeared in the report.) So considerate were the commissioners, however, of the feelings of the then existing powers that they worked in this apology into their report: "But it should be said here, and plainly in respect to this whole matter of the foreign business, that no responsibility whatever for it is imputable to the present management. It is an inheritance pure and simple, and, according to all the evidence, instead of attempting to extend and enlarge its scope and volume, the tendency is to conserve and protect the present field, restricting the business in or retiring from such jurisdiction as became intolerable through unreasonable governmental requirements or expense."

This was a very generous apology in view of the fact that in the year just preceding that of the investigation, the same management had increased its insurance in force in Europe \$1,300,000, in Asia about \$419,000, in South America more than \$9,000,000, and in the Hawaiian Islands \$1,400,000, and its entire business in foreign countries, other than Canada, more than \$10,000,000.

Since December 31, 1893, the present management has had three years in which to outlive its inheritance and restrict its foreign business. The effect of the company's policy of retiring from foreign business voluntarily or otherwise is seen in the following comparative statement of insurance outstanding on December 31, 1893, and 1895. The figures are from the Connecticut Insurance report:

COUNTRY.	1893.	1895.	INCREASE.
Europe.....	\$110,867,128	\$129,573,320	\$18,706,192
Asia.....	4,296,736	6,148,993	1,852,257
Africa.....	1,916,287	8,449,611	333,314
Australia.....	7,987,578	8,426,136	438,558
South America.....	80,884,779	67,333,639	\$13,551,140
Central America.....	1,941,999	2,743,446	801,447
West Indies.....	8,595,715	6,208,434	\$2,317,281
Mexico.....	3,744,398	8,955,041	\$789,537
Hawaiian Islands.....	1,415,260		
Other countries and islands.....		1,667,564	118,823
	133,481		
Totals.....	\$281,713,171	\$227,306,174	\$5,593,003

* Decrease.

Notwithstanding the exclusion of the company from Germany, and the large amount of business written off in South America, the foreign business of the New York Life is \$5,593,003 larger than it was in 1893, and nearly \$16,000,000 more than in 1892. The importing of Slavs, Finns, etc., into the body of the New York Life continues without improving or promoting the general or permanent interests of the United States members.

THE WAY THEY TALK ABOUT THE INSURANCE COMMISSIONER.

"Who is that rather plainly dressed man with the iron-gray hair sitting in that box?"

"That is Col. Blank. He is an old campaigner who has won considerable celebrity as an Indian fighter."

"I have heard of him. Who is that fierce-looking man in the gorgeous uniform, with epaulet, cocked hat, and gold braid?"

"That's Col. Van Cleave."

"Whom has he ever fought?"

"Mosquitoes."—*Chicago Tribune.*

UNITED STATES CASUALTY.

The names of the gentlemen selected to fill the vacancies in the board of directors of the United States Casualty, will command the confidence of the public. They are men well known and prominent in the business world, and the company will not have to apologize for any of them. They are Messrs. R. L. Edwards, James Brown Potter, Roswell P. Flower and James W. Pringle. Mr. Percy Belmont was elected vice-president of the company. The company has decided to discontinue burglary insurance, a wise move, for the premiums on that class of business are too low.

PERCY V. BALDWIN.

Mr. Percy V. Baldwin, for the past three years General Manager of the Department of the Hudson of the Equitable Life Assurance Society, leaves that company on June 15 to accept the position of General Manager of the State of Massachusetts for the Washington Life Insurance Company. The latter has secured a very valuable man and Mr. Baldwin has made a good connection.

COURAGE WILL WIN.

The Metropolitan Life Insurance Company, in deciding to take McNall of Kansas by the horns, displays courage and devotion to principle. We trust and believe that it will win. It matters little to the company whether it does business in Kansas or not, but it is of vital importance to every insurance company to defeat the attempt of an insurance commissioner to constitute himself a court of last resort, and to say to a company pay, and it must pay. No company is exempt from claims that seek of fraud, and if state officials are to use state supervision as a means of making fraud triumphant, the companies assailed would better go down with the flag of honesty nailed to their mast head than to permit their vessels to be scuttled by pirates. Whether McNall is an honest fool or a designing knave is immaterial. He proposes to commit a crime and we believe that it will take only a show of courage to defeat his purpose.

POLICIES WITHOUT APPLICATION.

Were it not that such devoted friends and admirers of the New York Life management as the Boston *Standard* and the *Insurance Press* say so, we should hesitate to believe that that company issues policies without even an application being signed. Sometimes a company does deliver a policy before getting the premiums, but giving policies to people who haven't asked for them is something new in life insurance. Are we to assume that the New York Life "leads" again?

LIFE INSURANCE AND PROPERTY.

Great as has been the work accomplished by life insurance in this country, and no criticism can detract from its magnitude, it must be admitted that, compared with the field to be gleaned, the portion cultivated is as yet a very small part. Almost 2,000,000 people are carrying life insurance in the legal reserve companies, excluding industrial insurance, or less than one person in thirty-six of our entire population. About \$5,000,000,000 of insurance written by the regular old line companies is now in force. That is a large amount indeed, but the true valuation of real and personal property in the United States, as computed in the census reports for 1890, was more than \$65,000,000,000, and now is probably about \$80,000,000,000. The total insurance in force therefore is still only a modicum of the value actually staked upon men's lives, for a man can take nothing out of the world with him.

That the majority of people, even of those insurable, deprive themselves or are deprived of the benefits of insurance, is self evident. Those who conduct the business of life insurance have endless work before them if they are to make life insurance the pillar of strength of every household. There were more than 15,000,000 white males of voting age in the United States when the last census was taken, a large proportion of whom were insurable. How to reach all who ought to carry insurance is a problem which is easier to formulate than to solve. The thought may suggest itself that poverty is the main obstacle in the way of extending the scope of insurance. It is not possible to apply any general test which will assure exact results. But we are well convinced that other causes are largely responsible for the dwarfing of the stature of humanity's great beneficence.

In some comparisons which we make below we have made use of the figures published by the *Investigator* in its "Life Insurance Chart," showing the amount of life insurance in force in the various states and territories. From them we have cal-

culated the average amount of life insurance per capita of white males 21 years and over in each state, based upon the census statistics for 1890, and have added the per capita of property, real and personal (true valuation), based upon the entire population in 1890. The results are shown in the following table:

	White Males of Voting Age in Census Year.	Insurance per White Male of Voting Age.	Average Insurance per White Male of Voting Age.	Average Wealth per capita.
Alabama.....	184,059	\$20,514,780	\$160	\$412
Arizona.....	21,860	3,500,000	165	3,168
Arkansas.....	158,265	21,318,146	124	403
California.....	336,228	115,784,129	304	2,097
Colorado.....	166,015	48,606,338	302	2,780
Connecticut.....	226,166	101,990,117	472	1,119
Delaware.....	40,007	16,009,000	400	1,043
District of Columbia.....	66,415	44,000,000	717	2,464
Florida.....	58,065	14,883,048	250	995
Georgia.....	214,004	35,350,075	162	404
Idaho.....	80,581	5,415,000	117	1,001
Illinois.....	1,054,493	354,753,284	330	1,244
Indiana.....	581,097	104,045,424	174	956
Iowa.....	517,000	86,643,764	161	1,106
Kansas.....	200,509	45,514,386	242	740
Kentucky.....	387,371	124,815,683	321	611
Louisiana.....	130,745	51,019,550	390	443
Maine.....	200,509	45,514,386	242	740
Maryland.....	218,813	110,705,115	506	1,041
Massachusetts.....	557,042	376,016,849	574	1,252
Michigan.....	611,008	129,025,890	213	1,001
Minnesota.....	374,037	86,042,514	240	1,304
Mississippi.....	120,611	17,474,322	144	352
Missouri.....	667,412	197,064,581	281	865
Montana.....	61,098	15,791,384	254	1,249
Nebraska.....	207,281	46,778,272	157	1,205
Nevada.....	17,000	2,506,274	147	911
New Hampshire.....	117,352	26,058,420	222	743
New Jersey.....	398,096	248,011,805	624	1,000
New Mexico.....	41,478	4,747,957	114	1,507
New York.....	1,745,418	1,025,791,399	558	1,420
North Carolina.....	513,307	79,709,719	154	791
North Dakota.....	55,709	11,445,130	200	1,844
Ohio.....	990,542	331,999,745	337	1,076
Oklahoma.....	18,238	1,504,140	80	1,001
Oregon.....	102,113	16,114,110	145	1,861
Pennsylvania.....	1,426,906	634,804,120	444	1,177
Rhode Island.....	90,750	52,288,004	515	1,410
South Carolina.....	102,617	35,011,129	342	718
South Dakota.....	66,177	11,667,581	131	1,203
Tennessee.....	380,014	37,490,484	185	504
Texas.....	1,134,010	104,717,709	217	942
Utah.....	51,215	7,000,000	141	1,001
Vermont.....	101,309	29,725,575	288	799
Virginia.....	243,015	68,207,400	275	531
Washington.....	141,924	10,000,000	70	2,177
West Virginia.....	122,195	13,852,420	80	575
Wisconsin.....	458,813	105,991,030	329	1,087
Wyoming.....	26,059	7,116,180	123	2,797

a. Partly estimated by the *Investigator*.

An examination of the table will disclose an extraordinary disparity between the wealth per capita and the average amount of insurance per white male of voting age. The variance would be still greater, of course, were the insurance per capita calculated on the total population. For instance, while the number of white males, 21 years and over, in Mississippi in 1890, was only 120,611, the total population was 1,289,600. The insurance per capita of total population would be only \$13 as compared with \$44 per white male of voting age.

From the foregoing table, we make the following classification of the states and territories in the order of the amount of insurance per capita of white males of voting age.

OVER \$50 PER CAPITA.

Rank.	State.	Aver. age.	Rank.	State.	Aver. age.
1	District of Columbia.....	\$137	12	Illinois.....	\$136
2	New Jersey.....	624	13	Kentucky.....	341
3	New York.....	558	14	Alabama.....	304
4	Massachusetts.....	574	15	Colorado.....	302
5	Rhode Island.....	515	16	Vermont.....	288
6	Shirleyland.....	506	17	Missouri.....	280
7	Connecticut.....	472	18	Virginia.....	275
8	Pennsylvania.....	444	19	Florida.....	266
9	Delaware.....	400	20	Montana.....	254
10	Louisiana.....	390	21	South Carolina.....	352
11	Ohio.....	337			

UNDER \$350 PER CAPITA.

Rank.	State.	Average.	Rank.	State.	Average.
22	Maine	\$141	36	Oregon	\$145
23	Minnesota	217	37	Nevada	147
24	Texas	217	38	Mississippi	144
25	Wisconsin	219	39	Utah	141
26	New Hampshire	200	40	North Carolina	135
27	Michigan	213	41	Arkansas	124
28	North Dakota	200	42	Wyoming	123
29	Iowa	191	43	South Dakota	121
30	Tennessee	185	44	Idaho	117
31	Indiana	174	45	Kansas	117
32	Arizona	165	46	New Mexico	115
33	Georgia	166	47	Oklahoma	52
34	Alabama	160	48	West Virginia	30
35	Nebraska	157	49	Washington	70

Twenty-one states including the District of Columbia have a per capita insurance of more than \$250, while 28 have less than that amount. The District of Columbia heads the list with an average of \$737, but the amount of insurance in the District is estimated with what degree of accuracy we do not know. New Jersey and New York follow, with Massachusetts, Rhode Island and Maryland, the only other states exceeding \$500 per capita. The State of Washington is last on the list with only \$70 per capita, but West Virginia and Oklahoma are close rivals for that position. It is interesting to note that Kansas, which has been making more disturbance in the insurance world than all the other states combined, has the smallest per capita insurance with the exception of New Mexico and the other three states mentioned. An increase of about a per cent. in the insurance in force in New York State would make good to the insurance companies the loss of the entire business in Kansas, while the saving in taxes and in expenses would make the companies gainers to a considerable amount if they should replace their Kansas business with business written in New York.

In the following statement the states are classified according to the per capita valuation of real and personal property, and divided into two groups showing the states having more than \$1,200 and less than \$1,200 for each inhabitant:

OVER \$1,200 PER CAPITA.

Rank.	State.	Average.	Rank.	State.	Average.
1	Nevada	\$3,441	12	New Mexico	\$1,507
2	Montana	3,470	13	District of Columbia	1,491
3	Arizona	3,168	14	Rhode Island	1,459
4	Wyoming	2,797	15	New York	1,430
5	Colorado	2,780	16	Illinois	1,374
6	Idaho	2,464	17	Minnesota	1,300
7	Washington	2,177	18	South Dakota	1,293
8	California	2,007	19	Kansas	1,201
9	Oregon	1,882	20	Massachusetts	1,252
10	North Dakota	1,884	21	Nebraska	1,205
11	Utah	1,681			

UNDER \$1,200 PER CAPITA.

Rank.	State.	Average.	Rank.	State.	Average.
22	Iowa	\$1,190	36	Vermont	709
23	Pennsylvania	1,177	37	Connecticut	784
24	Connecticut	1,119	38	Maine	740
25	Wisconsin	1,087	39	Kentucky	611
26	Ohio	1,076	40	West Virginia	575
27	Delaware	1,061	41	Virginia	571
28	Maryland	1,041	42	Tennessee	503
29	Michigan	1,001	43	Georgia	464
30	New Jersey	1,000	44	Louisiana	443
31	Florida	995	45	Alabama	418
32	Indiana	959	46	Arkansas	403
33	Texas	942	47	North Carolina	361
34	Missouri	895	48	Montgomery	357
35	New Hampshire	863	49	South Carolina	348

The mining states head the list in this case, but Montana, Colorado and California are the only states of that class which have more than \$450 insurance per capita. The District of Columbia, New York, Massachusetts, Rhode Island and Illinois are the only others which have \$350 that amount of insurance.

New Jersey, second in per capita of insurance, is thirtieth in per capita wealth; New York is third in insurance and fifteenth in wealth; Massachusetts is fourth in insurance and twentieth in wealth; Rhode Island is fifth in insurance and fourteenth in wealth; Maryland sixth in insurance and twentieth in wealth.

On the other hand, Washington is seventh in wealth and forty-ninth in insurance; New Mexico, twelfth in wealth and forty-sixth in insurance; Kansas, nineteenth in wealth and forty-fifth in insurance; Idaho, sixth in wealth and forty-fourth in insurance; South Dakota, eighteenth in wealth and forty-third in insurance; Wyoming, fourth in wealth and forty-second in insurance; Utah, eleventh in wealth and thirty-ninth in insurance; Nevada, first in wealth and thirty-seventh in insurance; Oregon, ninth in wealth and thirty-sixth in insurance; Nebraska, twenty-first in wealth and thirty-fifth in insurance; Arizona, third in wealth and thirty-second in insurance, and North Dakota tenth in wealth and twenty-eighth in insurance. The remaining states, particularly most of the Southern states, show less variance in relative rank, comparing insurance and wealth per capita.

The fact is brought out, however, that in many states where the value of property per capita is large, the insurance per capita is small. The failure to insure is not due to inability to buy insurance, and the cause or causes must be sought in some other direction. It also appears that in the very states where protection by life insurance is most needed, the most vicious legislation against insurance and the most vindictive of insurance supervision flourish. Folly bears its inevitable results.

THE BANKERS' LIFE.

The Bankers' Life Insurance Company of New York has issued a new policy upon the Whole Life Plan which contains many attractive features. The policy states plainly the stipulations and agreements upon which it is based. Premiums are made payable annually, semi-annually or quarterly, and the rate of premium for each age from 21 to 60 is stated on the policy. While the purpose is announced that the premium shall remain level, the right to charge additional premiums in case of emergency is reserved to the Board of Managers, a privilege which, with the ordinary rate of mortality, seems unlikely ever to be availed of. The expense element is limited to \$4 per thousand per annum, and to per cent. of the remainder of the annual premiums, both coming out of the annual premiums. So much of the premiums as is required to meet the mortality rate, according to the American Experience Table, goes into the Mortuary Fund, the remainder into the Reserve or Emergency Fund. After a policy has been carried for five years, the holder may surrender it and obtain all the cash credited thereto on account of the Emergency Fund, less a charge of 1 per cent. per annum, until the end of life expectancy. At the end of his life expectancy he is entitled to a cash surrender value of the entire accumulations under the policy in the Emergency Fund, or the surrender value may be applied to the reduction of future premiums or to purchase extended insurance. The policy becomes incontestable in two years. The premium rates are low, ranging from \$13.92 for age 21, \$16.82 for age 30, and \$21.93 for age 40, to \$61.92 for age 60. The company has increased its business since January 1 last about \$350,000, and its assets have also materially increased. The company's officers report that not a single claim remains unpaid.

LIFE INSURANCE IN NEW YORK.

The annual report of the New York Insurance Department covering the life insurance companies doing business in the State in 1896, has been issued, and, as usual, deals with enormous aggregates. The gross assets of life insurance companies on January 1 last were \$1,228,344,341, an increase of \$35,904,415 as compared with the previous year. Of this amount New York State companies have \$739,611,213, an increase of \$50,193,745, and companies of other states \$488,730,127, an increase of \$35,710,689. The aggregate of premium notes and loans shows an increase of \$9,065,013 during 1896, while deferred and uncollected premiums have increased \$8,304,480.

The total liabilities of these companies, excepting \$9,810,500 of capital stock, are \$1,053,608,138, an increase during the year of \$73,938,385. The liabilities of New York State companies as reported are \$629,860,400; companies of other states, \$423,747,937. The gross divisible surplus is: New York State companies, \$109,754,013; companies of other states, \$64,962,190; aggregate, \$174,716,203. The aggregate receipts of New York State companies during the year were \$170,032,186, an increase over 1895 of \$4,091,870; other states companies, \$109,310,920; increase, \$8,384,033, making the gross receipts \$279,373,106, and the gross increase over the receipts of the preceding year \$12,475,904. The net excess of receipts over disbursements for 1896 was \$80,199,807, while for 1895 it was \$81,124,300. The total premium receipts for 1895 were \$215,199,302; for 1896, \$223,714,320.

The total disbursements for the year of life companies were \$199,173,298, an increase of \$1,400,396 compared with the preceding year. Of this sum \$50,768,306 was paid for claims, \$23,688,038 for lapsed and surrendered policies, \$17,083,169 in dividends to policy holders, \$793,052 in dividends to stockholders, \$29,552,338 for commissions, \$16,031,189 for salaries and medical examiners' fees, and \$18,577,403 for miscellaneous purposes. There was paid to policy holders \$134,219,514, while the cost of management, including dividends to stockholders, was \$64,953,784.

The life policy record for 1896, industrial business not included, shows that the New York State companies issued 200,752 policies, insuring \$473,973,337, and terminated 150,152 policies, insuring \$421,227,467. The companies of other states issued 149,354 policies, insuring \$323,150,959, and terminated 108,313 policies, insuring \$339,500,539. The aggregates of the above are 350,106 policies issued, insuring \$796,124,316, and 258,465 policies terminated, insuring \$660,728,006. Compared with 1895, it appears that the companies issued 16,459 policies less last year, and decreased the amount of insurance written \$68,691,208. There were 6,586 more policies terminated in 1896 than in 1895, and \$7,823,519 more insurance. The terminated policies are scheduled as follows:

	Number.	Amount.
Deaths.....	22,163	\$61,074,964
Maturity.....	5,054	12,430,998
Expiry.....	8,394	27,618,797
Surrender.....	51,380	126,130,800
Lapse.....	132,278	288,107,839
Change.....	6,465	41,899,711
Not taken.....	33,694	89,515,487
Totals.....	258,465	\$660,728,006

The increase of policies during the year was 91,641, and of insurance \$135,896,320.

Excluding "industrial," the companies doing business in this state had, on January 1, 1897, 747 policies in force, insuring \$4,967,576,418, classified as follows: Whole life, 1,404,-

859 policies, insuring \$3,517,032,780; endowment, 483,882 policies, insuring \$1,135,746,300; all other, including term and irregular policies, 87,006 policies, insuring \$269,795,151; total amount of additions to same, \$45,082,187.

The disbursements of the life companies during 1895 and 1896 were:

	1895.	1896.
Claims paid.....	\$84,791,628	\$90,768,397
Dividends to policy holders.....	15,027,603	17,083,169
Paid for lapsed policies.....	23,688,038	28,160,038
Expenses.....	62,052,871	64,110,733
Dividends to stock holders.....	741,313	793,052

Total disbursements.....\$185,772,002 \$199,173,299

The total assets on January 1 last of the twenty-five casualty companies doing business in this state were \$28,563,940; liabilities, except capital, \$12,749,600; capital, \$10,179,600; net surplus, \$5,673,346; receipts, \$17,451,819; disbursements, \$16,274,638; risks in force, \$2,800,877,565.

A comparative statement of the co-operative insurance companies shows:

	INCOME.	
	1895.	1896.
Received from members.....	\$51,108,021	\$53,945,954
Other receipts.....	1,850,448	1,483,069
Totals.....	\$53,009,369	\$55,429,023
	DISBURSEMENTS.	
	1895.	1896.
Claims paid.....	\$48,128,093	\$46,186,080
Other expenses.....	9,867,744	8,866,859
Totals.....	\$51,093,347	\$55,093,839

COMPETITIVE LITERATURE.

The Victoria Fire Insurance Company is a vigorous young candidate for business, and is making a place for itself. But why should it give a dig at a competitor by circulating literature of this sort: "God save the Queen?" The Queen is in no danger.

THE ROYAL ARK IN DANGER.

The Supreme Council of the Royal Arcanum has postponed settlement of the one question upon which depends the existence of that order. It is no time for cowardice or dodging. Unless a plan for making both ends meet is soon devised the order will be dead meat. The only feasible method, the step rate assessment plan, meets with opposition, while there are advocates of the reserve plan. We believe no fraternal order can work long on that plan, for too many amateur financiers will want to finger the reserve, and scandals worse than Phœbus' awful plague will pile the fraternal camp with mountains of dead reputations.

WITH "CHARITY" WE STILL "COME OUT."

That INSURANCE OBSERVER keeps on coming out "with malice toward none, with charity for all," and its charity has undoubtedly been strained a good deal.—*The Insurance Record.*

Not a bit of it, friend *Record*. We started in with a big stock of it, and while we have drawn freely upon it for nearly two years there is plenty of it in the bin yet. If the way, underneath the pile might be found the predictions of a number of very wise prophets, that the INSURANCE OBSERVER would "come out" very long.

The poor Charter Oak Life Insurance Company made fat picking for the receivers. They got \$65,000 out of the wreckage.

OBSERVATIONS.

Shockitt: "Does learning the bicycle require any particular application?"

Sprockitt: "No, none in particular; but arnica is about as good as anything."—*Puck*.

The "yellow" journals, it seems, will have to protect their spot photographs by copyright if they would save them from the maw of the new insurance journalism. The New York Life's lofty motto, "Grab it and run," inspires emulation at times.

"What makes you think he is in love with you—the way he behaved?"

"No—the way he misbehaved."—*Indianapolis Journal*.

The medical directors of life insurance companies, at their annual meeting, gave beer a sockdologer. Dr. Rogers, of the New York Life, is reported in the *New York Sun* as saying, "that at fifty-five or sixty years of age about three brewers may be expected to die where one average person dies." In such a case the supply of brewers must be large, and the size as well, perhaps.

Columbus, O., comes to the front with a proposition to make life insurance companies as well as fire insurance companies contribute to the support of its firemen's relief fund. Why not make them support the militia, poorhouses and penitentiaries also?

The work of outlawing insurance companies goes bravely on. Commissioner Frick has thrown out of Wisconsin the Citizens Insurance Company of St. Louis, unjustly, if the stated facts are true, and there is a prospect that soon no Wisconsin company will be doing business in Missouri and no Missouri company in Wisconsin. Even to the third and fourth generation does the official vengeance extend.

The *Weekly Underwriter* connects the change in Commissioner Merrill's report with the Massachusetts Benefit, and then says concerning the "past management": "If it owned an insurance commissioner it did not put its mark on him." That would have been in violation of the pledge of secrecy.

The Norwood Insurance Company has decided to retire from business. A re-insurance contract has been made with the Providence-Washington Company, which takes over both the fire and inland marine business.

A mosquito bit a man to death and a bumble bee nearly nipped off a woman's leg, and yet some people don't believe in accident insurance. The Kentucky Court of Appeals has declared mosquito bites accidents, and premiums on New Jersey risks ought to go up.

"Some folks," said Uncle Eben, "is so tricky dat when dey comes across er man dat's shu' 'nuff honest, dey gets shykin' an' says he mus' be playin' in a pow'ful deep game."—*Washington Star*. Insurance papers please copy.

The price of arson in New York State has gone up, but there are some people who will have it at any price. It is now 25 years for the second degree and 15 years for the third degree.

It is true that lightning does strike twice in the same place sometimes—that is, if the place happens to be left after the first strike. Death, however, never lands more than once—it does not have to. Those who put off taking out life insurance until after they have had the first warning wouldn't be able to hear the second, if there should be one. Life insurance is for people who think.

"Speaking of Cuban uprisings and insurrections," said Wallace, "I shall never forget one that occurred twenty years ago."

"Were you present?" asked Ferry.

"Very much so. It happened about five minutes after I had lighted one of my father's big, black Havana cigars."—*Cincinnati Enquirer*.

George Tilles and the Mutual Life Insurance Company have compromised their suit, and it is understood that Mr. Tilles got a very satisfactory settlement.

"Why, Janet, how weak and insipid this sauce is! Why didn't you put some brandy in it?"

"Please, ma'am, 'cos master went a-fishin' this morning."—*Cleveland Plain Dealer*.

"I have here a neat and pretty little letter opener," began the agent.

"So have I at home," said the business man, sadly. "I'm married."—*Cincinnati Commercial Tribune*.

The investigation of the charges of attempted blackmail by members of the Pennsylvania legislature upon the industrial companies is already clouded with suspicion. Senator Gobin who moved the investigation was not appointed chairman of the committee, and has declined to serve as a member. With such a had beginning it is possible but not probable that there will be a good ending of the investigation.

Massachusetts Benefit Life Association OF BOSTON.

Statement of Business for 1896.

Policies written during 1896.....	10,543
Insurance applied for in 1896.....	\$17,806,695.00
Insurance written in 1896.....	14,960,790.00
Total assets.....	1,127,000.91
Amount paid in losses.....	2,023,980.00
Total amount paid in losses since organization.....	15,980,460.85
Insurance in force.....	\$5,997,000.00

JOHN HENRY BOLKER, President.

Hon. CARROLL D. WRIGHT, 1st Vice-President.

Hon. HIRSH A. TUTTLE, 2d Vice-President.

Bankers' Life Insurance Company OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.

Home Office, No. 31 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the BANKERS' LIFE are simply business contracts for pure life insurance, and are free from objectionable clauses usually embodied in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.

Bonds Issued for Employes, Administrators,
Guardians and in Judicial Proceedings.W. L. TRENBOLN, President.
HENRY B. LYMAN, Vice-President.

Resident Trustees, New York.

Wm. A. Wheeler,	Henry H. Cook,
F. W. Vanderbilt,	Wm. E. Kendall,
Cornelius N. Bliss,	Wm. D. Bond,
C. H. Langford,	Edwin Rose,
Samuel G. Hoopes,	C. L. Tiffany,
Walter R. Johnson,	G. N. Edgell,
Wm. Sprague Chamberlain,	Wm. A. Ward,
Chauncey M. Depue,	Wm. S. Garret,
John E. Bourke,	James A. Hayden,
E. F. Bovee,	John A. McVick,
Geo. F. Vetter,	John A. McVick,
H. B. Lyman,	Andrew Hall,
Henry B. Treadwell,	John A. McVick,
Wm. L. Treadwell,	John A. McVick,

CAPITAL - \$2,500,000.

BONDHOLDERS SUPERVISOR.

Statement, December 31, 1896.

REPORTS (including capital, \$2,500,000)	\$5,125,863.70
LIABILITIES (including reserve, \$67,800.00)	\$69,180.81

1880—1897.

United Firemen's Insurance Co.,
PHILADELPHIA.

Assets, January 1, 1897,	\$1,426,021
Surplus to Policy Holders,	502,568
Capital,	300,000

ROBERT B. BEATH, President.
DENNIS J. SWEENEY, Secretary.One of the Leaders amongst the Great Life
Insurance Companies of the World!**The Prudential**

HAS

Assets,	\$19,541,827
Income,	14,158,445
Surplus,	4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY, AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.An aggressive, progressive Company, writing Ordinary as well
as Industrial business, and offering exceptional advantages to its
Policy Holders and Agency Force.

AGENTS WANTED, WHITE

The Prudential Insurance Company

OF AMERICA,

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

**Provident Savings Life
Assurance Society**

OF NEW YORK.


EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS
MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.*The Guarantors*
LIABILITY-INDemnITY-COMPANY.
OF PENNSYLVANIA.**CASUALTY INSURANCE.**

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING.
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

**NORTHERN
ASSURANCE COMPANY**
OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.
C. W. BABB, Jr., Manager.
T. A. RALSTON, Sub-Manager.

QUEEN
Ins. Co. of America,
NEW YORK.

**AMERICAN UNION LIFE
INSURANCE COMPANY.**

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, President.
CHAS. S. WHITNEY, Vice-President.
E. S. SAVAGE, 2d Vice-President.
JOHN NAPIER, Secretary.

**NORTH BRITISH
AND MERCANTILE
INSURANCE COMPANY**

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

**THE EMPLOYERS'
Liability Assurance Co.,**
(LIMITED),
OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.
It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN, General Manager, London.
GEORGE MUNRO EDINCOCK, Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG
FIRE INSURANCE CO.
OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK F. OLCOFF, President Central Trust Co., New York.
ERNEST TRIELMANN, of Ludenborg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Rotman, Jones & Wynders, Counselors at Law, New York.

P. E. BASOR, Manager. AD. DOMMEYER, Asst. Manager.

**THE
Lancashire Insurance Company**
OF MANCHESTER, ENGLAND.

95 Pine Street, New York.

General Manager, - - - DIGBY JOHNSON.

January 1, 1898.
Assets, - - - - - \$9,807,899.04
Liabilities, - - - - - 1,637,814.70
Net Surplus, - - - - - \$770,044.84

Trustees in the United States.
DONALD MACKAY, Esq., of Verrill & Co.
CORNELIUS V. BLISS, Esq., of Bliss, Fabry & Co.
R. J. FAIRCHILD, Esq., of The H. B. Claiborne Co.
EDWARD LITCHFIELD, Manager New York Office.
H. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserves for Insurance in force, etc.	4,919,159.57
Net surplus	5,064,918.78
Policy-holders' surplus	4,864,918.78
Gross assets	7,776,347.15

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.

EDWARD LANNING, Secretary.

R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. G. E. KLINE, Asst. to Gen'l Mgr.,
Western Department, REALTY BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

G. LEE STOUT, Pres. J. R. MULLIN, Secy.

THE MERCHANTS' INSURANCE CO.

OF NEWARK, N.J.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS,	\$86,405,536.08
SURPLUS,	3,594,136.18

The Penn is purely MUTUAL. Insurance is furnished at exact cost. Its features—mortality, interest and expense—have all been highly favorable in this company. All policies are absolutely NON-FORFEITABLE for reserve value, the latter being applied to "Excess" or to "Paid-up," as may be desired. Its policies are free from technicalities, and become INCORPORATED for any cause after two years.

EDWARD M. NEEDLES, President.

HARRY F. WEST, Vice-President. JOHN W. HAWER, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. H. HALLOWELL, Asst. Sec. & Treas.
JESSE J. BARKER, Actuary.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS AT MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets,	\$232,141.03
Liabilities,	189,775.24
Surplus,	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK,

97-103 CEDAR STREET.



ASSETS	\$2,611,159.81
SURPLUS	348,178.96
LOANERS PAID	7,494,800.86

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust. Personal Accidents, Plate Glass, Boiler, Elevator, Employers', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLIS, Treas. and Sec.
EDWARD L. SELLAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



MUTUAL FIRE INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$25,000.00
Reinsurance reserve and all other liabilities	\$46,373.47
Net surplus	\$77,381.68
Total assets	\$1,048,460.15
Loans paid since organization	\$,000,000.00

R. A. LOEWENTHAL, President. SAHON CARTER, Vice-President.
Wm. A. FRANCIS, Secretary. H. W. EADIE, Assistant Secretary.

1850.

1896.

The United States LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty six years of practical life insurance, which has taught it that the sure and sure success is the selection of great plans of insurance, and the pursuit of a liberal policy towards both its insured and its surplus. These conditions it possesses in an eminent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are incontestable after two years. They are non-forfeiting, providing generally for either paid-up policy or extended insurance, at the option of the policy holder, the last days of grace in payment of all premiums. Its course during the past forty six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.

C. F. FRALEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANDEN, Actuary. ARTHUR C. PERRY, Cashier.
JOHN F. MUNN, Manager, Director.

FINANCE COMMITTEE.

GEORGE C. WILLIAMS, President Chemical National Bank, Builder.
JOHN J. TUCKER, President Importers' and Traders' National Bank.
E. H. FERRISS, JR., National Director. LORRIS.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 FINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. PURCELL, Assistant Manager.

A. M. YDORBURN, Secretary.

NORWOOD INSURANCE CO.

OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital.....	\$200,000.00
Total cash assets.....	\$10,316.45
All liabilities, including reinsurance reserve.....	\$78,513.16
Net surplus.....	\$2,103.39

ANDREW J. ARMSTRONG, Sec.

GEORGE S. FORSTER, Pres.

J. JAY NESTELL, Sec. Local Dept.

HENRY ADAMS, Jr., Vice-Pres.

GERMANIA

FIRE INSURANCE CO.,

62 & 84 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital.....	\$1,000,000.00
Reserve for unearned premiums.....	\$2,314,575.24
Reserve for losses under adjustment.....	\$2,460.49
Reserve for all other claims.....	\$9,464.46
Net surplus.....	\$1,039,840.19
Total assets.....	\$3,914,741.27

HUGO SCHUMANN, President.

FR. VON BERNUTH, Vice-President.

CHAS. RUYKHAFFER, Secretary.

GUSTAV KEBE, Assistant Sec'y.

WESTERN

ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1881.

HON. GEORGE A. COX,

J. J. KENNY,

President.

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.
 Assets, - - - \$1,636,689.35
 Surplus in United States, - - 547,731.08

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
 UNITED STATES.

The Palatine

INSURANCE COMPANY, LTD.

OF MANCHESTER, ENGLAND.



FOR FIRE INSURANCE.

Assets in United States, - - - - - \$2,221,244.71

Net Surplus, - - - - - 559,482.82

Writing Large Lines on Desirable Risks.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM HILL,

WILLIAM WOOD,

JOSEPH MANAGERS.

WILLIAM M. HALLARD, Branch Secretary,
 21 NASSAU STREET (Equitable Building), NEW YORK.

COMMERCIAL UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

Office: Cor. Pine and William Streets,
 NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?
 SUBJECT TO THE
 INVALUABLE MAINE NON FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS:

Term:

Annual Divi-

dend or

Renewable

Term.

UNION

MUTUAL

LIFE

Incorporated

1896.

Reliable

Agents

Always

Wanted.

FRED F. RICHARDS, President.

ARTHUR L. BAILEY, Vice Pres.

(EDWIN D. RUFFIELD, Supt., 110 American Trust Building,

Address either: 110 Nassau Street, N. Y. City.

THORNTON'S CHASE, Bank, 94 Adams Street, Chicago, Ill.

NEDERLAND

Life Insurance Company (Limited),
 OF AMSTERDAM, HOLLAND.

Established 1858.

SPECIAL FEATURE: Combination Term Policies.

Low Rates. Ample Security.

874 BROADWAY, NEW YORK.

BOARD OF TRUSTEES IN THE UNITED STATES.

JOHN CROSBY BROWN, of Messrs. Brown Bros. & Co., Bankers.

ARTHUR T. FLEISCH, Vice President of the Manhattan Trust Co.

JOHN D. KELLEY, Merchant.

JAMES H. POTTER, Merchant.

CHARLES E. WHITEHEAD, of Messrs. Whitehead, Deane & Osborn, Coun-

sellors at Law.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK

Chartered 1856.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1897.

Assets, . . . \$402,179.22
Capital and Net Surplus, . . . 318,875.77

EDWARD H. WINDLING, President
DAVID D. WHELAN, V-President
R. W. BURTON, Secy.
Cash, F. PUTNER, Gen. Agent,
Nos. 114 & 116 La Salle St., CHICAGO.

NEW YORK UNDERWRITERS AGENCY

(Incorporated 1881)

Local Agents in all Prominent Localities in the United States.

Office: 100 William Street, New York.

A. & J. H. STODDART, General Agents.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

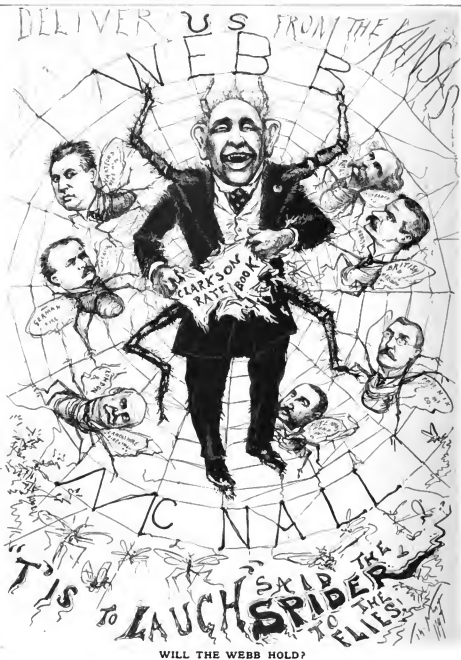
LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1852.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary.



THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

Vol. II.

NEW YORK, JUNE 16, 1897.

No. 14.



LIBERTY OF CHOICE—NO LIMIT TO QUANTITY.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - = \$2.00 per annum.

European Subscription (postage free), - - - = 2.50 " "

Publishes in Advance.

Single copies, - - - = 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, Editor.

MYSTIC FRATERNALISM.

A mysterious thing is fraternal insurance; from the ante-room of the lodge or council to the grave it is a thing of mystic rights and ceremonies, of surprising and hair lifting adventures. It requires nerve and courage to take the degrees of fraternalism, whether as a novice or a full fledged frater. At the threshold the tooth protruding boggy "level premium insurance," with straw burning from every pore, lashes into lather the perspiring candidate of cheap insurance. John Gilpin's ride isn't a circumstance to the acrobatic performance which the brother in conjunction with capereolas (increased mortality rate) goes through if he lives. Then seizing hope's anchor to immortal heights he seeks to climb, the rainbow of hope with few assessments a year illumines his footsteps and he climbs, the storms come and he climbs, and clinging to the anchor of hope he at last reaches the top, when Old Father Time tosses him off into the bottomless pit of disappointed expectations, and he takes his anchor with him to keep him down.

SUPERVISION.

The most absurd argument that has yet been advanced in favor of National supervision of insurance companies is that it will rid the earth of State supervision. It will do nothing of the kind, but will simply add another political machine to the many already existing whose object is to make places for office seekers and to manufacture a plausible excuse for extending the taxing power. Supervision, State or National, whether applied to insurance companies, banks or railroads, is the invention of demagogues, appropriated by wily politicians for their own personal advantage. Thrift is taxed to provide sinecures for men usually with no visible means of support outside of politics. Not merely incompetency but rank dishonesty is too frequently manifest in the dealings of public officials with private enterprise. Were an honest and intelligent investigation of any insurance company of prominence to be demanded, what insurance department could be depended upon to make it? Even with a competent and virtuous man at the head of a department, the exigencies of politics, the selfish interests of the powers who control political parties, obstruct and hamper his efforts to perform his duties. But there are many admirers

of King Stork, and a voracious tyrant is preferred to a sleeping monarch. What fools we freemen seem to be!

FIRE INSURANCE WRECKS.

If Mr. William B. Clark, ex-President of the National Board of Fire Underwriters, were to repeat his very able address, he would find it necessary to revise it in at least one important particular. He stated that since 1860, 827 stock fire insurance companies, with an aggregate capital of \$117,311,633 and assets amounting to \$191,878,452, have failed or retired. Since the delivery of that address more companies have retired and more capital and more assets have been withdrawn from the business of fire insurance.

When men of many years of experience in fire underwriting differ widely in their views as to the causes which produce so many fatalities in the fire insurance business, we may be pardoned for confessing our ignorance. But the fact stands out in painful prominence that it is almost impossible for any new fire insurance company with moderate capital to survive the teething period. Experienced men, who have been successful underwriters while connected with established companies, have launched new companies and employed brains, intelligence and industry more than sufficient to keep an old concern moving, yet have seen their efforts fail and their new ventures stranded. It is not competition alone which makes the death rate so high. In other lines of business competition not infrequently stimulates success. There ought to be room for well managed stock companies, more than there are now in the field. Mutuals and Lloyds of irresponsible character and no visible means of support would find fewer opportunities, if the business of fire insurance were as crowded with legitimate companies as many believe.

We believe that one serious mistake is made by most new comers, and that is entering into a number of states where they are compelled to submit to oppressive laws to pay burdensome taxes and to establish expensive agencies. It is the experience of every company at the beginning of its career that it, unless extraordinary precautions are taken, is made the dumping ground for a class of business which nobody wants, and of agents and brokers which other companies will not have or would like to get rid of.

A company which enters the insurance field to-day should adopt the cash system, and for every risk collect the premium when the policy is written. Companies have been compelled to go to the wall with uncollected premiums outstanding sufficient, if collected, to make them absolutely solvent. Writing risks for which no consideration is received may make a show of business, but it will wreck a big reserve in short order.

That there are other causes which make the launching of a new fire insurance company a hazardous proceeding is unquestionably true. How they are to be remedied or removed is a problem which every thinking underwriter is trying to solve, with what success it lies in the future to reveal. But there is no denying that the situation is to be deplored.

Now it is charged that McNall's order barring tornado insurance has lost him the good will of the other Pops. It is reported that two days after the order was issued destructive wind storms swept western Kansas, destroying thousands of acres of wheat, which the farmers had been prevented from insuring by McNall's order. And now the Pops are swearing that they will be Pops no longer.

NEW BUSINESS WRITTEN BY TWENTY-FIVE LIFE COMPANIES IN THREE YEARS 1894-1896.

	Premiums on new business in 3 years.	Commissions on new business in 3 years.	New insurance issued in 3 years.	Insurance terminated by surrender, lapse, or other cause in 3 years.	Net increase in new insurance in 3 years.	Insurance in force December 31, 1896.	Increase in insurance in force in 3 years.
1. Aetna.....	\$1,775,504	\$400,434	\$1,705,730	\$36,733,060	\$22,047,670	\$135,450,723	\$145,635,041
2. Berkshire.....	550,717	320,735	1,115,000	15,161,218	5,094,472	36,811,577	41,434,515
3. Connecticut General.....	1,198,301	57,637	5,114,973	3,200,054	1,914,922	10,671,794	11,739,094
4. Connecticut Mutual.....	1,004,768	773,650	31,584,722	18,279,816	13,304,906	159,974,406	157,471,606
5. Equitable.....	1,150,834	5,048,750	417,590,383	413,081,315	4,509,068	935,131,577	915,101,070
6. Germania.....	1,048,177	571,050	70,444,457	21,315,168	49,129,289	96,384,270	70,434,166
7. Home.....	785,658	447,305	70,477,701	20,001,374	3,385,410	30,470,310	44,071,080
8. Manhattan.....	607,861	415,184	35,976,713	30,549,098	13,501,945	64,204,407	57,000,441
9. Massachusetts Mutual.....	1,448,802	771,360	61,512,193	30,784,085	21,728,108	31,770,490	101,507,091
10. Mutual Benefit.....	8,745,789	2,710,286	61,399,046	51,680,769	9,718,276	174,558,168	23,418,092
11. Mutual.....	15,667,850	11,254,020	407,540,900	377,513,794	130,007,116	104,862,457	937,007,487
12. National.....	5,124,101	756,551	41,018,305	30,761,045	10,257,260	61,614,613	73,474,731
13. New England.....	1,005,861	104,043	32,618,010	31,104,000	11,614,520	62,420,019	59,099,092
14. New York.....	5,124,101	10,928,143	424,810,422	356,751,000	105,000,413	779,160,870	666,248,570
15. N. York Western.....	4,416,752	2,172,370	150,700,741	131,329,200	68,370,483	325,153,047	394,107,890
16. Penn Mutual.....	1,078,170	795,804	58,087,010	50,315,317	7,771,694	124,297,718	134,591,701
17. Phoenix.....	668,004	404,914	20,704,111	20,084,327	6,000,709	11,015,511	11,516,114
18. Provident Life & Trust.....	1,379,665	4,911,301	7,218,072	22,851,204	14,336,518	10,830,162	113,054,368
19. Provident Savings.....	1,184,660	695,504	58,951,406	60,181,070	17,230,662	81,801,434	106,176,683
20. State.....	1,045,333	435,785	20,147,116	12,165,379	17,176,777	68,102,171	62,004,714
21. Travelers.....	1,14,907	405,179	44,075,570	35,541,938	8,533,632	70,905,967	88,242,700
22. Union Central.....	1,871,713	907,780	77,151,829	53,172,112	23,979,717	70,374,741	93,805,215
23. Union Mutual.....	654,614	4,909,714	33,643,313	18,648,607	4,991,616	35,614,416	38,086,840
24. United States.....	518,000	281,066	22,301,512	23,215,313	12,013,303	47,175,519	37,791,725
25. Washington.....	574,724	30,307	20,770,657	27,951,607	18,200,900	40,709,514	46,813,597

Total, 25 companies, \$70,748,956

* Fully estimated for 1896.

\$36,750,260

\$1,374,104,047

\$1,864,668,653

\$500,435,394

\$4,460,983,081

\$4,540,937,077

\$750,054,896

1 Decrease.

A BIG PRICE FOR A WORTHLESS WHISTLE.

For three years past the life insurance companies have been reporting in detail the premiums received and the commissions paid on new business, and it is now possible to get something like an approximate idea of how dearly the companies pay for writing business that does not stay. In the table printed above, we have compiled from the reports of the Insurance Commissioner of Connecticut, the total premiums received on new business by each of the twenty-five companies mentioned during the three years ended December 31, 1896, the commissions paid on new business, the total insurance written, the insurance terminated by lapse, surrender, change and not taken, the net increase in new insurance, deducting from the amount written the insurance so terminated, and the amount of insurance in force on December 31, 1893 and 1896, with the net increase or decrease.

The table shows that during the past three years \$1,374,104,047 of new insurance was written, this amount not including where it was possible to make the elimination, reversionary additions, or old policies revived, increased or changed. The premiums received aggregated \$70,748,956, or at the rate of \$19.80 per \$1,000 of new insurance, and the commissions paid \$39,750,260, or \$16.83 per \$1,000. During the three years \$1,864,668,653 of insurance went off the books of the companies from other causes than death, maturity or expiring, leaving \$500,435,394 as the net increase in new business, assuming that all the lapsed and surrendered insurance was written within three years of its termination, which, while not exactly the case, is very nearly true. The net increase in insurance in force was only \$389,054,896.

From the above table we have prepared the following statement of ratios, showing the average premiums and commissions per \$1,000 of new insurance written, and the average of the new commissions paid per \$1,000 of increase in new insurance, and of increase in insurance in force.

	Ratio Premiums per \$1,000 new insurance written.	Ratio of Commissions per \$1,000 net increase in insurance.	Per \$1,000 increase in insurance in force.
Aetna.....	\$19.80	\$15.18	\$87.42
Berkshire.....	26.57	14.67	50.40
Connecticut General.....	27.04	11.26	49.83
Connecticut Mutual.....	11.81	8.65	63.07
Equitable.....	27.31	13.55	125.50
Germania.....	35.81	10.77	62.83
Home.....	26.03	10.20	102.57
Manhattan.....	19.40	14.17	54.12
Massachusetts Mutual.....	25.08	12.34	40.37
Mutual Benefit.....	20.84	11.35	54.32
Mutual.....	31.75	10.78	83.48
National.....	30.36	17.31	69.78
New England.....	30.53	14.44	54.19
New York.....	33.10	10.49	138.20
Northwestern.....	29.31	14.41	36.81
Penn Mutual.....	28.05	11.76	77.81
Phoenix.....	18.27	10.21	57.84
Provident Life & Trust.....	34.70	12.14	34.11
Provident Savings.....	21.74	11.80	...
State.....	35.93	14.75	31.25
Travelers.....	25.75	11.70	59.55
Union Central.....	24.26	11.70	37.66
Union Mutual.....	27.60	17.34	108.75
United States.....	24.46	10.60	...
Washington.....	27.54	14.45	...
25 companies.....	\$19.80	\$16.83	\$104.17

There is a wide variance in the ratios of premiums paid to insurance written, which ran from \$19.40 for the Massachusetts Mutual to \$35.64 for the Germania. The average commission paid ranges from \$8.65 for the Connecticut Mutual to \$23.09 for the Mutual of New York. It is, however, in comparing what the companies pay with what they get that the evil of the present methods of business getting is shown in its worst phase. That the companies should go to the expense of nearly \$42.0, 000 in three years to get \$2,734,000,000 of business, only to keep \$500,000,000 from lapsing, and to retain only \$389,000,000 after allowing for deaths and other legitimate terminations of policies, must seem frightfully extravagant. While the premiums collected on new insurance averaged only \$19.80 per thousand, the commissions paid equalled \$78.03 per thousand of insurance written, less lapses. A few com-

panies lost by lapse and surrender all the business they had written, or what amounted to the same thing, so the commissions paid for new business were practically thrown away. Those companies which gained at all show an average of commissions on net new business for the three years, ranging from \$21.07 per thousand for the Connecticut Mutual to \$132.17 per thousand for the Home. With scarcely an exception the ratio of new commissions to increased new business is higher than the rate of premium received by the companies on new business.

When we figure the ratio of new commissions to increase in insurance in force, the discrepancy is still greater. Here the rate ranges from \$31.25 per thousand for the State to \$637.97 for the Connecticut Mutual, while five companies show a decrease in insurance in force leaving nothing upon which to figure a percentage. The average for all the companies is \$102.17 per thousand, or $3\frac{1}{2}$ times the average rate of premium.

It is proper to say here that the ratios shown in the last two columns of the above table are of use only to point a moral. In any event it must cost money to replace business, whether it goes off the books legitimately or otherwise, and that cost figured on the net increase in business will always compare unfavorably with the rate of premium obtained on business written.

But if the 1,864 millions of insurance which was terminated by lapse, surrender, etc., in the past three years or the greater part of it, had been kept in force, as it should have been, the original cost to the companies would not have been increased one penny, the cost of renewal commissions and of caring for the business would have been increased only a trifle, and instead of a rate of \$78.03 per \$1,000 of net new business written for new commissions, the rate would have been less than one-half of that figure.

We need refer only to one or two special cases to demonstrate this fact. Take the Northwestern Mutual for instance. It wrote \$150,000,000 of new insurance, lost by lapse and surrender only \$82,000,000 and retained \$68,000,000, while its insurance in force increased nearly \$67,000,000. The ratio of its new commissions to net insurance written is only \$31.77 per thousand and to increased insurance in force only \$36.81 per thousand. The Mutual Benefit, the Massachusetts Mutual, the New England Mutual, the State and the Union Central all make similar showings, and their experience will testify to the advantage of keeping business as compared with merely getting it.

There is scarcely a single company which does not lose money on a policy which terminates at the end of its first year. In many companies it takes three years to put a policy in such a position that it ceases to be a losing factor. Every inducement then that is offered to secure transient business is an encouragement to deplete the treasuries of the companies.

A DRUNKEN VIEW.

The Dunkards of Eastern Pennsylvania hold the following views concerning life insurance: "That there should be no life insurance, because it is selfish, in that it gives no benefit to the really poor and needy and robs the church of true Christian charity; because it is a childish savings bank, and thus kills the ability to properly take care of means; because it is a lottery and because it is an incentive to covetousness and murder." It is not surprising that the Dunkards are sometimes confounded with drunkards.

THE FRATERNAL FALLACY.

That fraternal insurance, conducted on the plan which has been followed for the past ten years, could end only in failure, has long been evident to every one who has given the matter intelligent consideration. It is evident now even to the men who are managing the fraternal associations, and whose duty it is to repair as promptly as possible the damage resulting from their own blundering, if they can. Unless the foundations of fraternal insurance are reconstructed at once the millions of members, who are looking to it to save their families from want, will see all their hopes destroyed and every dollar that they have paid for insurance protection irretrievably lost.

The time has passed when the high official of any fraternal order dare assert that predictions of failure are only the malicious fabrications of enemies. The Supreme Regent of the Royal Arcanum, an order which ranks as the very best of the fraternal insurance societies, has officially declared the plan under which it is working a failure. To the Supreme Council he has made the following statement: "As I have looked over the list of deaths and seen how small an amount most of the dead brothers have paid in as compared with the amount their beneficiaries have drawn out, I have become wholly convinced that we cannot continue in this course for a long period of time."

In spite of this declaration, the higher officials of the Royal Arcanum hesitate to take the action that may save the order from the certain doom which waits upon their present course. The whole structure may fall at any time, for it rests upon a quicksand which is already in action. This is true of every fraternal organization which attempts to make the rate of assessment at entry the continuing rate during the life of the member. It ought to be obvious to the least skilled in mathematical science that the cost of insurance at any particular age must be the same whether the person has just joined the order or has been in it twenty years. In the Royal Arcanum, and in nearly all the fraternal orders, the rate charged a member when he enters is charged to him as long as he remains in it.

Taking the Royal Arcanum as the type of all, we find that a member who joins at 25 years of age pays an assessment of \$1.25 on \$3,000 insurance. On the basis of sixteen assessments a year, the number now levied, he pays \$6.18 a year for \$1,000. At the age 30, a new member is charged \$7.36; at age 35, \$8.96; at age 40, \$10.98; at age 45, \$13.75; at age 50, \$17.35; and at age 55, \$22.93. Even were these rates adequate for the respective ages, it must be apparent that if the reasonable rate for a member entering at age 55 is \$22.93, the rate of \$7.36 charged the member who enters at age 30, is entirely inadequate when he arrives at the age of 55. He is paying only about one-third what a member of the same age, but newly entered, is charged, and yet the latter is admittedly not overcharged.

That it is impossible for any system of insurance to continue to exist which ignores the cost factor, as thus shown, is beyond question. It may be argued that the old line insurance companies do discriminate between the old and new policy holders in this way. That is true, but only because the rate of premiums at entry is made high enough to permit the accumulation of a reserve which, with the advancing age, will provide for the increased cost. In the fraternal associations only the exact cost is ever charged, and there is, therefore, no reserve to meet the advancing cost of increased age and consequently

assessments must increase. This carries in its wake further disaster.

If assessments are increased in number, it is only a question of time when the rate will be prohibitive as far as new blood is concerned. The man of 25 years may be willing to pay \$6 a year for \$1,000 insurance, or the man of 35 years to pay \$7 a year and take his chances of being called upon to pay \$60 or \$70 a year when he is 50 years. But when assessments have been doubled twice or thrice, no new members can he had, for level premium insurance can be purchased at a much lower price, so the old blood with its increasing death rate will have to struggle along until its fraternal becomes so heavy that it can not be carried, and then fraternal insurance will gasp out its dying breath in shame, confusion and ruin. Such is the dead sea fruit which hangs upon the bough of fraternal insurance as it exists to-day.

TAXING LIFE INSURANCE POLICIES.

The attempt of the State Board of Tax Commissioners of Indiana to subject to taxation as personal property policies of life insurance has been defeated, temporarily at least, by the decision of Judge Allen of the Marion County Circuit Court. The case against the position taken by the Commission was strongly presented by Mr. John A. Finch, who has favored us with a copy of his argument. The Court fully sustains him on the point that the legislature had not delegated its taxing power to the Commission, and not having designated insurance policies as personal property to be taxed, the Commission had no power to list them. Further, Mr. Finch argued against the principle of taxing insurance policies, and the points which he raised may yet be needed to defend against attacks by legislatures, for Judge Allen's decision does not deny the legislature the right to do what it enjoins the Commission from doing, and the lawmakers of Indiana and other states may avail themselves of the new opportunity to prey upon life insurance.

NATIONAL CONVENTION OF MUTUAL LIFE UNDERWRITERS.

The twenty-second annual session of the National Convention of Mutual Life Underwriters will be held on June 22, 23, 24 and 25 at the Grand Union Hotel, Saratoga Springs. The topics to be discussed are many and various, some of them quite personal to the level premium companies and to insurance commissioners who inject into their official papers individual opinions concerning different systems of insurance. The question of a reserve liability will also be up again, and the substitution of some other distinctive term for "assessment system" to be applied to the co-operative system which collects premiums in advance. The sessions of the convention yearly become more interesting and useful, and good is bound to result from them.

The report of the New York Insurance Department on the Norwood Insurance Company shows an impairment of its capital on April 30 of \$133,194.93, since reduced to \$52,435.73. As nearly \$300,000 of the liabilities were unearned premiums it is evident how difficult it is for a new company to avoid bankruptcy.

INSURANCE THAT PEOPLE CAN AFFORD TO BUY.

No invention of modern civilization has triumphed more signally over prejudice and ignorance than has life insurance. To-day it is universally recognized as a beneficence and a necessity. To adapt its blessings to the needs and circumstances of the greatest number is the problem upon which is concentrated the mental effort of many of the brightest minds, and with unmeasured success. It may not be possible to extend its benefits to every one who needs it, or even to every one who realizes its worth. One may appreciate the beauty of a diamond, yet not possess the means to buy it. Life insurance as long as it has any value must cost something, but to lessen that cost to the lowest point on the safe side of the danger line has been the aim of those most alive to the requirements of the times.

The most successful companies have been those which have discovered how to reach that portion of the public whose means are limited, for that is the class to whom life insurance most directly appeals and most abundantly blesses. The Provident Savings Life Assurance Society is to be commended for having opened the door of life insurance a little wider for those who desire to enter, but who must count carefully the cost. A new policy which it has just begun to write and which it calls the "Combined Term and Renewal Option Policy" is one of the most liberal offers ever extended to the public. It makes it possible to obtain good insurance at the lowest possible price, and to enjoy its protection when the usual rates of premium might be prohibitive.

The company offers to insure at a reduced rate for five years, and at the end of the term to issue at the option of the policy holder, without a medical re-examination, either an ordinary life, a limited payment life, or an endowment policy, at the rate charged for the then current age. Thus to an applicant aged 30 years the company will issue a policy terminating in five years, the annual premium on which will be \$14.95, which is one-third cheaper than the usual rate on an ordinary life policy. At the end of five years the policy holder may take out an ordinary life policy at an annual premium of \$23.45, which rate will continue as long as the policy is in force, or at his option the company will issue a 20 payment life policy at \$31.71 per annum, a 15 payment at \$36.70, or a 10 payment at \$47.79, or he may take a 20 year endowment, paying \$16.79 per annum, a 15 year at \$24.08, or a 10 year at \$39.22. How advantageous to the policy holder these terms are will appear from a comparison of the cost of insurance under this policy with that of the usual form of ordinary life policies issued by other companies.

The purpose of the Provident Savings Life in issuing such a policy is to enable people to take insurance at a time when they feel least able to afford it. The burden in the early period of the policy is made as light as possible without making it excessive in the later period. In fact, the rates charged after five years are less than are usually charged for the same age. The new policy of the Provident Savings ought to win a great deal of business for the company. It is not only a liberal policy but one which we believe the company can afford to write. It also shows that President Scott is a shrewd manager, and knows how to cater to the wants of the insuring public and how to equip his agents.

ONLY \$800,000 DROPPED.

The New York Life Insurance Company last year charged off \$803,959 for depreciation in its real estate. That would be a very modest estimate of the value of the home office building it demolished and paid to have carted away. Still it is a good deal of money paid by policy holders for insurance protection, and represents a year's premium on about \$40,000,000 of insurance. The company has put some \$2,000,000 into real estate in the past year, and as real estate investments go now-a-days, it will be very fortunate if it gets 3 per cent. per annum on the investment. A policy holder who cannot do better than that with his surplus capital ought to have a guardian. It is not surprising that assessment insurance finds new friends every day.

OBSERVATIONS.

Underwriter Kennedy is doing business in almost all languages, and with quite a varied assortment of principals. Poor Liberty has taken a back seat, and Mr. Kennedy's heart no longer bleeds for the goddess he once worshipped.

A big auditing company is said to be on the stocks, with a number of prominent insurance officials as stockholders. Lots of business can be thrown in the way of the company in the shape of examinations of the companies in which the officials are interested (?). The policy holders will pay the bills and the officials will collect handsome dividends on their auditing stock. Great scheme.

Mr. Isaacs: "Vell, Mrs. Pawnbroker, and how ish our old friend Moses?"

Mrs. P.: "He don't seem much better. He don't take no interest in anythings."

Mr. Isaacs: "Don't dske no interest? Mein cracious! he must be dying sure."—*Boston Transcript.*

Mississippi gets a reduction in fire insurance rates of twenty-five cents because of its low loss ratio. Such concessions may be necessary, but they do not conform to the law of average.

McNail is another individual who thinks that "injunctions don't go." When McKane gets out the other Mac should interview him and get his opinion as to the "going" powers of injunctions. Debs might tell him a thing or two.

There seems to be hot stuff in the insurance scandal investigation in Pennsylvania. We do not expect the investigation to result in anything. The criminal court is the place in which to ventilate the matter.

"I don't see what you want of such a pitiful little office. The salary is very small."

"You are not well posted. The nominal salary is only \$1,200 a year, it is true, but the Van Clevage amounts to \$4,000."—*Chicago Tribune.*

When a \$70,000 insured man, preparatory to going to sea in an open boat, takes swimming lessons and purchases a false beard, it is not surprising if he disappears suddenly. Still, under the circumstances the disappearance can hardly be called a bare-faced swindle.

"Madam, your husband has been arrested for arson."

"Impossible! Why, he never started a fire in his life."—*Columbus (Ohio) State Journal.*

The new Insurance Commissioner of Missouri is already up and doing, and he has begun a suit against the Industrial Underwriters for doing an "underground business." The difficulty which Commissioner O'Reardon declares he experienced in getting service on the often left ought to suggest to him an amendment to the law. Make the man who takes insurance the criminal and there you have him.

The number of company eggs which some fire insurance brokers are carrying in their basket is causing a howl. To save the shoe leather of a clerk, business goes to the department store instead of being distributed among the underwriters who run their own shops.

The Greenwich Insurance Company is now being examined by the New York Insurance Department.

The *Insurance Journal* speaks of Mr. Simmons, at one time president of the Massachusetts Benefit Life Association, whose policy holders "he once helped to defraud." Well, who were the other helpers? Why not name them also?

COMMERCIAL UNION ASSURANCE CO., (LIMITED.) OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

Massachusetts Benefit Life Association OF BOSTON.

Statement of Business for 1896.

Policies written during 1896.....	10,648
Insurance applied for in 1896.....	\$17,906,086.00
Insurance written in 1896.....	14,900,790.00
Total assets.....	1,187,088.91
Amount paid in losses.....	2,033,086.60
Total amount paid in losses since organization.....	18,900,086.65
Insurance in force.....	\$9,967,600.00

JOHN HENRY BOLKER, President.

HON. CARROLL D. WRIGHT, 1st Vice-President.

HON. MIRIAM A. TUTTLE, 2d Vice-President.

Bankers' Life Insurance Company OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.
Home Office, No. 61 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the BANKERS' LIFE are simply business contracts for pure life insurance, and are free from objectionable clauses usually embodied in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.

SURETY ON BONDS.
American Surety Co.,
 100 BROADWAY, NEW YORK.



Bonds issued for Employers, Administrators,
 Guardians and in Judicial Proceedings.

W. L. TRENHOLM, President.
 HENRY D. STANT, Vice-President.

Resident Managers, New York.

Wm. A. Wheeler,
 F. W. Van Hook,
 Cornelius N. Sims,
 C. H. Laddington,
 Daniel G. Hoffman,
 Walter S. Johnston,
 Wm. Selous Greenwell,
 Chas. M. Deane,
 John F. Swaine,
 E. F. Brown,
 H. D. Lyman,
 Henry B. Flint,
 Wm. L. Trenchard.

Henry H. Cook,
 Wm. H. Kendall,
 Wm. Bond,
 Edw. Rose,
 C. L. Feltz,
 U. S. Feltz,
 Wm. A. Cook,
 Wm. S. Palmer,
 James A. Hayden,
 John J. McCook,
 John A. McCall,
 Andrew Mann,
 Jas. Richmond.

CAPITAL, - - - \$7,000,000.

BONDSMEN SUPERSEDED.

Statement, December 31, 1896.

RESOURCES (including capital, \$2,500,000)..... \$3,125,000.76
 LIABILITIES (including reserve, \$67,500.00)..... \$20,100.01

1860—1897.
United Firemen's Insurance Co.,
 PHILADELPHIA.

Assets, January 1, 1897, - - - \$1,428,021
 Surplus to Policy Holders, - - - 502,568
 Capital, - - - 300,000

ROBERT B. BEATH, President.
 DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life
 Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827
 Income, - - - 14,158,445
 Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
 AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well
 as Industrial business, and offering exceptional advantages to its
 Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA.

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS,
 MAY APPLY TO THE HEAD OFFICE OR ANY OF THE SOCIETY'S GENERAL AGENTS.


Authorized Capital, \$1,000,000.00.
 Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
 Net Surplus, \$333,278.19.

The **Guarantors**
 LIABILITY-INDemnITY-COMPANY.
 OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia,
 New York Office: 115 BROADWAY,



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1826.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,

38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING,

PRESIDENT.

CHAS. S. WHITNEY,

VICE-PRESIDENT.

E. S. SAVAGE,

3D VICE-PRESIDENT.

JOHN NAPIER,

SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN,

General Manager, London.

GEORGE MUNRO ENDICOTT,

Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. GLENTZ, President Central Trust Co., New York,
ERNEST THALMANN, of Lohrberg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, McNamee, Joline & Synders, Con-
sultants at Law, New York.

F. E. KASOB, Manager.

AD. DOHMEYER, Asst. Manager.

THE Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

Assets, - - -	January 1, 1896.	- \$2,807,826.04
Liabilities, - - -		1,607,814.70
Net Surplus, - - -		\$770,041.84

Trustees in the United States.

DONALD MACKAY, Esq., of Vermilye & Co.

CORNELIUS N. BLOSS, Esq., of Blox, Fabian & Co.

R. J. FAIRCHILD, Esq., of The R. B. Claflin Co.

EDWARD LITCHFIELD, Manager New York Office.

H. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserve for Insurance in Force	4,618,128.57
Net surplus	8,564,818.76
Policy-holders' surplus	8,564,818.76
Gross assets	7,776,347.18

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 48 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary.
R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. (SFO) E. KLINE, Asst. to Gen'l Mgr.
Warrent Department, REALTY BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

W. L. L. STOUT, Pres. J. R. MULLIN, Secy.

THE MERCHANTS' INSURANCE CO.

OF NEWARK, N.J.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS	\$28,105,525.08
SURPLUS	3,564,128.19

The Penn is purely Mutual. Insurance is furnished at exact cost. Its features—morality, low cost and expense—have all been fully favorable in this company. All policies are absolutely Non-Forfeitable for reserve value, the latter being applied to "Excesses" or to "Paid-Up" as may be desired. Its policies are free from technicalities, and become Incontestable for any reason after Two years.

EDWARD M. NEEDLES, President.

HARRY F. WEST, Vice-President. JOHN W. HANER, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. C. LIPPINSKY, Mgr. of Agents,
JEROME J. BARKER, Attorney. H. H. HALL, W. L. L. Asst. Sec. & Treas.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets	\$232,141.03
Liabilities	189,778.24
Surplus	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK,

97-103 CEDAR STREET.

ASSETS	\$8,411,188.81
LIABILITIES	\$48,170.66
LOSSES PAID	7,484,850.86

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust, Personal Accident, Plate Glass, Jewelry, Elevator, Employees', Landlord's, and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.



London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



MUTUAL FIRE INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$25,000.00
Reinsurance reserve and all other liabilities	346,000.00
Net surplus	\$7,390.00
Total assets	\$100,000.00
Losses paid above organization	\$100,000.00

R. A. LOEWENTHAL, President. AARON PARKER, Vice-President.
Wm. A. FRASER, Secretary. H. W. KANE, Assistant Secretary.

1850.

1896.

The United States LIFE INSURANCE COMPANY

In the City of New York.

This old and reliable company now has the experience of forty six years of practical life insurance, which has taught it that the surest way of success is the adoption of good plans of insurance, and the payment of a liberal policy towards both its insured and its agents. These conditions it possesses in an excellent degree, but judiciously tempered by that conservatism which is the best possible safeguard of the policy holder. Its contracts are incontestable after two years. They are non-forfeiting, providing generally for either paid-up policy or extended insurance, at the option of the policy holder. It gives ten days of grace in payment of all premiums. Its record during the past forty six years abundantly demonstrates its absolute security.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
C. P. FRALEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANDER, Actuary. ARTHUR C. FERRY, Cashier.
JOHN F. MUNN, Manager, Des Moines.

FINANCE COMMITTEE.

GEORGE O. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
E. H. PERKINS, Jr., President Importers' and Traders' National Bank.
JAMES H. FLUX, Leather.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURTELLA, Assistant Manager.

A. H. THORNBURN, Secretary.

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital.....	\$200,000.00
Total cash assets.....	610,310.45
All liabilities, including reinsurance reserve.....	378,813.16
Net surplus.....	\$2,100.29

ANDREW J. ARMSTRONG, Sec.
J. JAY NORTON, Sec. Local Dept.

GEORGE R. FORTEN, Pres.
HENRY ADAMS, Jr., Vice Pres.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital.....	\$1,000,000.00
Assets for insured premiums.....	1,114,675.24
Reserve for losses under adjustment.....	67,000.00
Reserve for all other claims.....	26,500.00
Net surplus.....	1,197,575.24
Total assets.....	\$5,844,751.47

HUGO SCHUMANN, President.

FR. VON BERNUTH, Vice-President. CHAS. BRYLHAVER, Secretary.
GEO. B. EDWARDS, Vice-President. GUNTAV KERR, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - - TORONTO, CANADA.

Incorporated 1851.

Hon. GEORGE A. COX, J. J. KENNY,
President, Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - -	\$1,638,689.35
Surplus in United States, - - -	547,731.08

HANOVER FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.



FOR FIRE INSURANCE.
Assets in United States, - - - - - \$3,551,844.71
Net Surplus, - - - - - 228,455.54

Writing Large Lines on Desirable Business.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM HILL, WILLIAM WOOD, JOSEF MARANO.

WILLIAM M. BALLARD, District Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU THE LATEST AND BEST POLICY?

SUBJECT TO THE
INVALUABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS:

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Annual Divi-

dend or

Retainable

Term.

UNION MUTUAL LIFE Insurance

Incorporated
1840.

Reliable

Agents

Always

Wanted.

PORTLAND, MAINE.

FRED F. RICHARDS, President.

ARTHUR L. BATES, Vice-Pres.

Address either: EDWARD B. ROYFIELD, Sup't., 119 American Trust Building,
150 Nassau Street, N. Y. City.
[THORNTON CHASE, Sup't., 10 Adams Street, Chicago, Ill.]

You need Exercise



"If business men knew
how much they need out-
door exercise there would
not be enough Columbia
bicycles to go 'round."

COLUMBIA BICYCLES

Standard of the World.
\$100 to all alike.

HARTFORDS, Next Best, \$60, \$55, \$50, \$45.

Catalogue free from Columbia
dealers; by mail for a.c. stamp.

POPE MFG. CO.,
HARTFORD, CONN.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL G. ATWOOD, SECRETARY,
256 & 257 Broadway, New York.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1794.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1897.

Assets, - -	\$462,179.22
Capital and Net Surplus, - -	\$18,875.77

EDWARD H. WINDOM, - - President
THOMAS D. WATSON, - - V. President
S. W. BUSTON, - - Sec'y.
CHAS. F. PIERCE, Gen. Agent,
No. 114 La Salle St., CHICAGO.

NEW YORK UNDERWRITERS AGENCY

ESTABLISHED 1864.

Local Agents in all Prominent Localities in the United States.

Office: 100 William Street, New York.

A. & J. H. STODDART, General Agents.

THE
Manhattan Life
Insurance Company,
NEW YORK.

THE
WASHINGTON
Life Insurance Company
OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LOYDS
PLATE GLASS
Insurance Company

Cash Capital
\$250,000.

OF NEW YORK

Incorporated
1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary



THE MYSTIC DEGREES OF FRATERNAL INSURANCE.

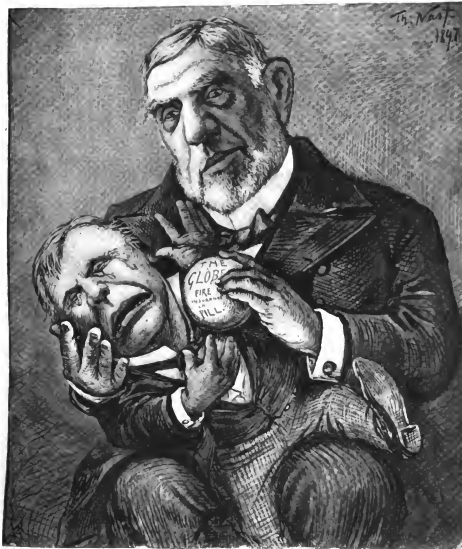
THE
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"With malice toward none, with charity for all."

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NEW YORK, JULY 1, 1897.

No. 15.



A BIG PILL FOR HIM TO SWALLOW.



THE MYSTIC DEGREES OF FRATERNAL INSURANCE.

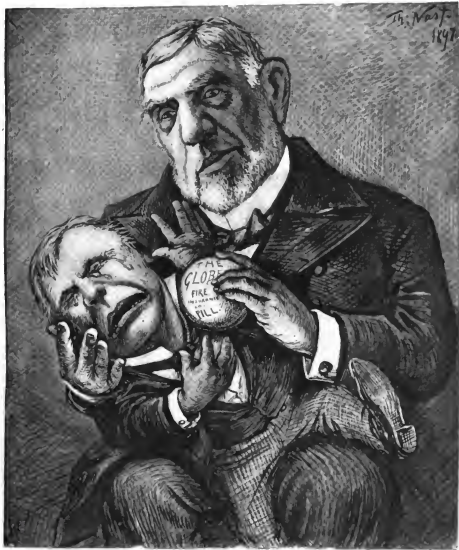
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THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

54 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$2.00 per annum.
European Subscription (postage free), - - - 2.50 " "

Paid in Advance.

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W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

PLEDGES ON THE PACIFIC COAST.

We publish herewith a copy of the pledge which the compact companies are inviting the Pacific Coast agents to sign, and the agents are signing (not signing):

"Is this the Land of the Brave
And the Home of the Free?"

The pledge is a dandy, and the agents who take it and keep it may become more moral, but it is a question if they will get their reward in this world. On the other hand, the agents of the anti-pledge companies are likely to live on the fat of the land. The pledge is undoubtedly a "fine" thing for the agents who sign, and a finer for those who do not, but let it speak for itself. Here is

THE PLEDGE.

.....1897.

"Having been appointed agent of.....or other insurance companies for.....in consideration of the continuance of my appointment, I hereby agree with said company, ...and with the Board of Fire Underwriters of the Pacific, jointly and severally:

"1st. Not to issue or procure the issuance of any insurance whatever at a rate less than, or in form differing from, or for a term exceeding that prescribed by said Board of Fire Underwriters of the Pacific, and not to pay or offer to pay, directly or indirectly, any rebate, discount, commission, abatement or other valuable consideration for business, excepting that commission may be paid to a member of said Board or its agent, or to a duly certified San Francisco broker, not exceeding fifteen per cent.

"I will submit to the district manager a report of every fire insurance policy, renewal or certificate written or application accepted by me, also a report of every return premium or cancellation or other endorsement on policy, and every canceled policy and voucher for the return premium thereon, together with such data as may be needed by the district manager for the purpose of verifying each such transaction, whether as agent of a Board or non-Board company.

"I will also submit in the same manner particulars of every risk placed by me in a company not a member of above

named Board, and represented by another agent not representing a Board company also.

"2d. Not to accept from any insurance company, whether a member of said Board or not, any compensation for business, except by commission, and not to exceed fifteen per cent. on net premiums collected on any business, which commissions shall include all charges and expenses, other than those mentioned hereinbefore.

"3d. Not later than the fifteenth of each month I will render each company represented by me an account giving the following particulars of every transaction for such company, taking effect during the second preceding month:—Policy number, name of assured, amount of premium, together with similar particulars of every additional and return premium or policy 'not taken,' and charges of commission and such expenses as I may have incurred during the month in the transaction of my business with such company, for postage, telegrams, express, exchange and licenses.

"With each such account I will remit the balance due as shown therein. I will credit the company with the earned premium on every policy returned, after the account in which such premium was originally included shall have been forwarded. Failure to observe this rule two consecutive months will subject me to pay a penalty as provided below.

"The cancellation and reissue of insurance, for the purpose of extending the time of payment, shall be regarded as a violation of this agreement.

"4th. Not to issue insurance on any risk the property of anyone reported to me as a delinquent in payment of premium by the Executive Committee of the Board of Fire Underwriters of the Pacific, until after receipt of notice by said Executive Committee that the deferred premium has been paid.

"5th. Not to deviate from any rule adopted by said Board after such rule shall have been published to me; and to hold myself at all times subject to examination by a properly authorized official of said Board or of a local Board of which I may be a member. On conviction by such official of a violation of any of the above articles of agreement, I will pay such penalty as may be imposed not exceeding \$100 in fine, including cancellation of policies involved, with consequent loss of commission thereon, and a prohibition against writing or placing the business covered during one year thereafter. Any fine imposed must be paid within ten days after conviction, and until so paid no appeal can be taken. My failure to pay a fine imposed shall render me liable to another fine, and a failure to pay the two fines so imposed within ten days after the second fine is imposed, or my conviction of a third willful violation of the above obligations, will disqualify me from acting in any capacity for any company connected with the Board of Fire Underwriters of the Pacific, except with unanimous consent of said Board."

THE LATE MR. C. C. LITTLE.

A fitting tribute to the memory of the late Charles Clements Little is paid by the Phenix Insurance Company, of which he was Vice-President. It takes the form of a beautifully printed copy of the minutes adopted by the Board of Directors at the time of his death, and has been sent to every agent of the company. The front page has a portrait of Mr. Little, which all his friends will recognize as the most perfect likeness ever published of him.

INSURANCE IN MONTANA.

Some idea of the greatness of the country is given by the insurance statistics of states which not many years ago were terra incognita. The State of Montana is an example. The insurance department of that state reports \$30,857,005 of fire insurance written and renewed last year, and premiums paid \$666,981. There was \$15,166,500 of life insurance in force on December 31, 1896, and the premiums paid during the year were \$179,776. Assessment insurance companies reported \$3,046,700 insurance in force at the end of the year, and there were \$9,467,539 risks written by companies doing other forms of insurance. The figures are small compared with older states, but it is evident that in Montana there is considerable wealth, most of it made in the last decade.

THE NORWOOD INSURANCE COMPANY.

The Norwood Insurance Company, it is understood, contemplates a resumption of business. A complete change has been made in the officers of the company, President George S. Porter and Secretary Andrew J. Armstrong having resigned, and Messrs. Edward G. Ward and William D. Carter being elected as their respective successors. Mr. J. Jay Nestell, who was Secretary of the Local Department, has been elected Vice-President, and will act as Manager.

THE FALSE PROPHETS OF FRATER-NALISM.

The second annual report of the Insurance Commissioner of Connecticut on fraternal societies intelligently discusses the faults and pitfalls which are endangering the existence of fraternal insurance. The obstacle which with the greatest obstinacy defies reform in the methods of these insurance societies is clearly pointed out by Commissioner Betts, when he says: "The difficulty does not consist in realizing the situation of flooding proper remedies so far as the managers are concerned. It consists in convincing the general membership that something must be quickly done to avert disaster (after the same management has for years misled this very membership into a belief that present methods were the very quintessence of security and equity) in the face of the natural opposition of the majority members who fail to realize the inequity of present methods."

That is the truth in a nutshell. The false prophets who for years have been preaching that fraternalism was a revealed science and that all its claims were as infallible as natural law, have been compelled to revise their oracles. Is it any wonder, then, that the people who have been deluded hesitate to accept as divinely inspired the revisions of former inspiration now confessed to have been only human and reckless invention? The theories that are now being thrown overboard by the leaders of the fraternals were once maintained with much show of plausible argument and not a little invective against their critics. Now that new ground is being taken it is not surprising that the members of the fraternal orders are asking whether their guides are any nearer right than they were before, and are saying that if they are wrong anyway why not stick to the original false doctrines rather than fly to others which the teachers may possibly know less of than they do of the ones that have been tried. If fraternalism is to take a new lease of life the first important step is to get rid of the men who led it into the morass of disappointment and disaster.

OF INTEREST TO NYLICS.

Carney claimed to have a life contract made by the previous administration, but President McCall refused to recognize it, and dismissed him from the employ of the company. The contention was made by President McCall that *no company has a right to make a life contract with any employee*, and that if one were made it was void from the beginning as being against public policy. This point was sustained by the court, and it must have a far reaching effect. President McCall and his company are to be congratulated on the result and for his denial of the claim and determination to fight it in the courts, and thus save the policy holders of his own and other companies large sums of money.—*The Vigilant*.

The part which we have italicized above will be of interest to those agents of the New York Life Insurance Company who are being invited to surrender their old renewal contracts and become a Nyllic. We quote from the announcement of the company the following regarding the contract which it is now offering to make with its agents.

"Senior Nyllics shall receive as long as they live, provided only they shall not enter the service of any other life insurance company, monthly payments equal to seventy-five cents a thousand on an amount of business equal to the average between the smallest year in each five-year period covering the twenty years of service."

If the contention of President McCall is that no company has a right to make a life contract with any employee, it will probably be in order again to congratulate President McCall on his determination to fight when Senior Nyllics undertake to enforce in court the life contracts now being offered by President McCall to the agents of the company.

DOUBLED AGAIN.

We assume that the following dispatch published in the *Journal of Commerce* of June 30 is correct:

Boston, Mass., June 29 (Special).—To-day was a critical day to the Massachusetts Benefit Life. Its directors had to decide whether it would go on or wind up, and at a special meeting it was decided to go on. The trouble came in the accumulated death claims and the special call which was to be made. A recent enactment made it necessary to get the Insurance Commissioner's approval to any extra assessment, and this he refused to give. At the eleventh hour, after it was shown him that the policy contracts held by members gave the association a right to make calls for death claims, and after the directors said they would wind up if the assent was refused, he gave his assent.

Commissioner Merrill seems to be pretty badly rattled, and if he continues to change his mind as he has been doing of late, it will become a serious question whether he has any to change. His refusal to allow the Massachusetts Benefit Life to levy an extra assessment was in the first place inexplicable. Such was not his method of dealing with the association when his co-signers of the famous silence agreement were managing it. Assessment companies must depend upon assessments to keep going, and the Commissioner of Massachusetts is not so far gone in the upper story as not to know that a refusal to allow necessary assessments to be levied is equivalent to putting the association into bankruptcy. That he should change his position after having done all the damage he could, is not surprising, in view of his other similar performances, but it only makes his original act the more inexcusable. Massachusetts needs a new Commissioner.

TO "THE MAN ON SALARY."

Life insurance appeals especially to the man on salary or the professional man. The merchant has a store and business connections, or "good will" may bring something when he is gone; but the lawyer, the doctor, or the clerk have nothing of the kind to leave behind. When they die the earning capacity is gone. A man may have a practice worth fifty thousand a year, the earnings of his brain; the brain stops working, and his business, which it has taken him years to build up, is not worth fifty cents. His clients and his patients go off to another active brain, and a newcomer in his place has to build up from the bottom again. To a man in this position life insurance comes as a real blessing. It enables him to provide for the future of those dependent upon him without excessive cost, and he can feel that whatever happens to him they are taken care of, and that he is really at no expense for the provision because it all comes back to them in the end.—*Weekly Statement.*

THE NEW YORK SUPREME COURT ON LIFE CONTRACTS.

We publish below the text of the decision of the Appellate Division of the New York Supreme Court, first department, in the case of *Sidney H. Carney, Sr., vs. the New York Life Insurance Company*. The opinion was written by Judge Ingraham and concurred in by all the justices, and reads as follows:

Upon the trial of this action, after the plaintiff had opened the case to the jury, the defendant moved to dismiss the complaint upon the complaint itself and upon the opening. That motion the court granted, the ground of the decision as stated by the court being "that the action as appears from the pleadings and the opening rests upon an agreement set out in the complaint which, under the ruling in the *Beers* case, appears to be void."

The complaint alleges the incorporation of the defendant; the adoption by it of certain by-laws by which the power was conferred upon the president and actuary "to appoint, remove and fix the compensation of, of each and every person, except agents employed by the company;" that in the month of December, 1896, the plaintiff entered into an oral contract and agreement with the then president and actuary of the company by which the plaintiff was employed by the defendant, "and it was at the same time agreed by and between the plaintiff and the said Franklin and Beers (the president and actuary), acting for the defendant as aforesaid, that the employment of the plaintiff by the defendant should continue during the life of plaintiff;" and that subsequently, in 1895, the plaintiff was discharged by the defendant. It is upon such breach of the contract of employment that the plaintiff in this action seeks to recover.

In the opening, counsel stated the agreement as follows: "It was agreed between them (the plaintiff and Franklin and Beers, representing the defendant), they acting on behalf of the New York Life Insurance Company, and himself (the plaintiff) that he should enter into the service of the defendant company for the term of his life, and it was then and there agreed that his salary at the beginning should be at the rate of \$5,000 per year for the first year, and \$6,000 the next and third, and thereafter increased from time to time if he should live, as the business and the success of the company warranted." There is no statement, either in the complaint or in the opening, that such a contract was ever submitted to the trustees of the company, or that the trustees in any way ratified such contract or employment. The question presented, therefore, is as to whether an executive officer of the company, having general authority by the by-laws to appoint, remove and fix the compensation of employees, has the power to make a contract of employment for the life of the person em-

ployed, thus limiting by his own act not only his authority expressly granted to him by the by-laws, but also the power of the corporation itself to discharge its employees. In other words, whether the making of such an unusual contract to last for an indefinite period, imposing upon the corporation obligations which cannot be measured at the time the contract is made, is within the authority granted by the by-laws which authorize an executive officer to appoint, remove and fix the compensation of an employee. It seems to me clear that it is not. The meaning that attached to the word "appoint" when used in connection with an office is to designate or nominate a person to fill the position, to appoint to which the power is given. Of itself the mere power of appointment does not include a power to fix the term for which the person is appointed. The general use of the word is applied simply to the authority to designate a person to fill a position, and a power in appoint could not include either a power to fix the term or a power to fix the compensation to be paid to the person so appointed. This was recognized by the by-laws in question, which gave to these two executive officers of the company the power to appoint and remove the employees of the company, and at the same time the power to fix the compensation to be paid to them. If it had been intended to give to these two executive officers the power to make a contract by which an appointment should be continued for a definite term, it seems to me that such power would have been expressly conferred upon such officers, and it would not have been allowed to rest upon implication, an implication which would have extended the meaning of the word "appoint" much beyond the one usually given to it or in the ordinary conception of the idea that is conveyed when the word is used. In construing the authority granted to an officer or agent by a corporation, it is always competent to consider the general object for which the corporation was created, the nature of the business carried on by it, the character of the officer upon whom the power is conferred and for what object the authority was conferred.

Here was a corporation organized for the purpose of insuring lives and granting annuities, doing an enormous business, employing a large number of clerks and other employees, and it is quite evident that the successful conduct of the business depended upon the energy and ability with which the employees of the company transacted its business. It would be manifestly impossible for the trustees of such a corporation to have a knowledge of the details of the business and of the ability of the various employees by whom it was conducted so as to employ and discharge such employees, or to determine just what compensation should be paid to each of them. Such knowledge must necessarily be confined to the chief executive officers of the company, who are daily brought in contact with the employees and who understand the manner in which they do their work, so as to determine who it is advisable to promote or retain, and who to dismiss. To accomplish this purpose, these two officers were given authority to appoint, remove and fix the compensation of the employees of the company. It was not thought safe to leave it to one, but the concurrence of these two officers was required. The object thus sought to be attained would be frustrated if perpetual contracts of the kind here attempted to be enforced were made by the officers of the company thus vested with this authority. These officers might, without consulting the board of trustees, fill every office with a person holding a life position, by which not only the power of the persons then holding the office of president and actuary, but of all persons subsequently holding such office to remove an employee would be taken away during the lifetime of the incumbent; and thus the officers themselves, acting under a power which gave the present incumbent of the office authority to remove, would so restrict their power as to take it away from their successors and to practically nullify it for an indefinite period. The implication of such a power, therefore, would not only be an implication not authorized by the language used, but would expressly contradict and be repugnant to an express provision of the by-law in question. The facts of this case show how dangerous it would be

to invest any executive officer with the power to make such a contract as is here claimed. Immediately upon the death of such officer every employee of the company might claim that he had had a verbal agreement with such officer that his employment should continue during his life. The officer with whom it was said that contract was made would be dead, and every employee who would be willing to swear that such a contract was made, would, under such circumstances, have a position for life, which it would be beyond the power of the corporation or of its officers to terminate.

The plaintiff in this action asks for \$168,000 damages for a breach of this contract, a contract never reduced to writing, of which no record was kept, and of which no report was made to those responsible for the management of the affairs of the corporation, or to the policy holders to whom the property of the corporation belonged; a contract depending upon a verbal understanding between these officers who are now dead and the plaintiff, who is the sole survivor of those who took part in the conversation which it is claimed constituted such a contract. That any board of directors, or the persons responsible for the management of the corporation, could give such a power to an executive officer is hardly to be considered possible, and certainly would not be implied except where the language used clearly showed that such was the intention of the corporation.

As it is not suggested, either in the complaint or the opening that any knowledge of this contract was communicated to the board of trustees or to the policy holders, or that they have done any act which could be said to be a ratification of such contract with knowledge of its existence, there is nothing upon which to base a finding of ratification. (See *Camache v. Hamilton Bank Note Co.*, 3 App. Div. Rep., 378.)

The learned counsel for the appellant criticizes the decision of the general term of the Supreme Court in the case of *Beers v. New York Life Insurance Company* (66 Hun, 75), but it is not necessary now to discuss the question whether or not in such a case as this the board of trustees or directors of a corporation would have power to make a contract with an employee for any definite time. Certainly these executive officers of the company had no authority to make a contract by which one of the employees of the company should remain in its employ for his life, and that there was no allegation in the complaint and no fact stated in the opening which would justify a finding of ratification.

The action of the court below was, therefore, clearly right, and the judgment is affirmed, with costs.

There are some novel propositions contained in the foregoing decision, which it is much to be desired the Court of Appeals shall have an opportunity to pass upon. Before referring to them we shall present the brief of the counsel of the New York Life Insurance Company, Messrs. Wm. B. Hornblower and James Byrne, submitted to the Appellate Division at the argument on the appeal. It reads as follows:

POINTS FOR RESPONDENT.

STATEMENT.

This is an appeal by the plaintiff from a judgment dismissing the complaint with costs entered after a trial before Mr. Justice Gildersleeve and a jury, at a trial term held in and for the city and county of New York.

This suit was brought to recover damages for breach of an alleged contract of employment. The contract, as set forth in plaintiff's second amended complaint on which he went to trial, is a contract of employment for the life of the plaintiff. The plaintiff alleges that under the by-laws of the corporation in 1869 the president and actuary had the power to appoint, remove and fix the compensation of each and every person except agents employed by the company; that Morris Franklin was president and William H. Beers vice-president and actuary of the company and that "in or about the month of December, in the year 1869, the plaintiff, who was by training a physician skilled in life insurance matters, entered into an oral contract and agreement with the defendant through the

said Franklin and Beers, president and actuary as aforesaid, for the employment of plaintiff by the defendant in a medical capacity, and it was at that time then and there agreed between the plaintiff and the said Franklin and Beers on behalf of the defendant that the plaintiff would enter the employment of the defendant in such part of its business as should require the medical knowledge of the plaintiff; and it was at the same time agreed by and between the plaintiff and the said Franklin and Beers, acting for the defendant as aforesaid, that the employment of the plaintiff by the defendant should continue during the life of the plaintiff. With reference to compensation it was agreed that the plaintiff's salary should be, for the first year, \$5,000; for second year, \$5,500; for the third year, \$6,000; and should remain at that figure until changed." (Fols. 11-15.)

The complaint further avers that pursuant to the agreement and contract above set forth, plaintiff entered the employ of the defendant and remained in such employment from 1869 until June 20, 1895; that in 1869 his compensation was increased to \$7,500, at which rate he was paid to January 1, 1894, after which time and until the 20th day of June, 1895, he received compensation at \$12,000 per annum, and that on the 20th day of June, 1895, he was discharged by the defendant from its employment, and the contract of employment was wrongfully broken by the defendant. (Fols. 15-17.)

The plaintiff avers that while in the employ of the defendant he rendered services which were faithful and satisfactory, and that he was ready and willing to fulfill his part of the contract, and to remain during his life in the employment of the defendant, and that his services were of the reasonable value of \$12,000 per annum, and "that by reason of the aforesaid wrongful dismissal the plaintiff has been deprived without fault of his own of the sum which he would have earned during his life in the defendant's employment, to his damage \$168,000." (Fols. 17-19.)

The complaint demands judgment for \$168,000. The answer denies the making of any such contract with plaintiff and puts in issue various other allegations of the complaint. And among other things sets up by way of defense: "That neither at the time when said contract for life was alleged to have been made between the plaintiff and defendant nor at any time before or since, has any officer of the defendant or the trustees of the defendant had any power or authority to make a contract with the plaintiff, or any one else, to continue during the life of the plaintiff or of any other person so employed, and if any such contract was attempted to be made by any officer of the defendant, the same was void and of no effect." (Fols. 23-26.)

The cause coming on to be tried at the Trial Term, and a jury having been empaneled, plaintiff opened his case to the jury through counsel, and clearly stated the agreement as follows: "That understanding having been reached between them, it was agreed between them, they acting on behalf of the New York Life Insurance Company, and himself, that he should enter the service of the defendant company for the term of his life, and it was then and there agreed that his salary at the beginning should be at the rate of \$5,000 per year for the first year, and \$6,000 the next and the third, and thereafter increased from time to time if he should live, as the business and the success of the company warranted." (Fols. 60.)

Plaintiff was then called and sworn as a witness, but before his testimony was begun counsel for defendant moved to dismiss the complaint, "upon the complaint itself and upon the opening, on the ground that it had been decided by the General Term of the Supreme Court in the First Department, *Beers v. New York Life Insurance Company*, that this corporation has no power to make a contract for life with any person." (Fols. 68.)

POINTS.

I.

This case falls within the principle decided by the case of *Beers v. New York Life Insurance Company*, 66 Hun, 75.

The head note of the Reporter correctly states as one of the points expressly decided by the court: "That the charter and

by-laws showed that it was not intended that the trustees of the corporation should have power to make contracts which might extend far beyond their term of office, and that they could not make this contract with Beers for his life. That it was intended by the short terms of office of the officers and the manner prescribed of employing agents that the corporation should maintain a present control over its servants."

The Court say in their opinion (p. 816): "There is another ground which seems to be fatal to the obligatory force of the contract in question, and that is that this board of trustees has no power to make a perpetual contract. If they can employ a man to do nothing in a so-called advisory capacity as long as he shall live, there is no reason why they could not employ every clerk, accountant, messenger boy or other employee for the same length of time, and thus take the management of the business of the corporation out of the hands of the owners of its assets, viz., the policy holders, with whom the policy of the law supposes the ultimate authority lies. The policy of the law under which this corporation is organized is that every four years its board of trustees may be wholly changed; that five of its members may be compelled to retire at the end of any one year at the wish of the policy holders; and that by this means the policy holders shall have the ultimate control of the manner in which the business of the company shall be conducted, and determine who shall be the agents, employees and servants of the corporation. Of this right the board of trustees cannot deprive the policy holders by making contracts which will extend for long periods of years beyond their term of office."

And again (p. 84): "Under this condition of affairs it is evidently not within the power which were committed to the board of trustees by the policy holders that they should be able to fasten upon such corporation a subordinate so long as he might live."

It is claimed by counsel for the appellant that because the Court announced other propositions as ground for their decision that this particular proposition can be regarded as *obiter dictum*. This claim, however, is not tenable.

If these deliberate statements of the Court can be disregarded as *obiter* because there are other grounds stated with equal positiveness as ground for the decision, then any one of those propositions could be likewise disregarded for the same reason, and the decision would cease to be authority for any one of the propositions.

II.

The New York Life Insurance Company is incorporated under public statutes of this State, of which the court below took judicial notice. The provisions of the charter which are referred to in the opinion of the General Term in the Beers case are found in the public laws. The statutes are as follows:

By chapter 89 of the laws of 1841 the Nautilus Insurance Company was incorporated.

By chapter 307 of the laws of 1843 the charter of the Nautilus Insurance Company was amended so as to allow the company to do business under the plan of mutual insurance, and for the purpose the said company was authorized "to have and enjoy a charter similar in every respect to that of the New York Mutual Insurance Company of the City of New York, passed April 12, 1842;" this act being chapter 167 of the laws of 1842.

By chapter 111 of the laws of 1849, the name of the company was changed to the New York Life Insurance Company, and it was provided that its business "shall be confined to insurance on lives, and it may make all and every insurance appertaining to life, and receive and execute trusts, make endowments and grant and purchase annuities." (Section 2).

The provisions as to the election of trustees are found in chapter 187 of the laws of 1842, incorporating the New York Mutual Insurance Company, which (as above stated) is expressly made applicable to the Nautilus Insurance Company by chapter 207 of the laws of 1843.

"§3. All the corporate powers of the said company shall be exercised by a board of trustees, and such officers and agents as they may appoint. The board of trustees shall consist of twenty persons, all of whom must be citizens of this

state. They shall elect a president and vice-president annually, who shall on their election be ex officio members of said board of trustees, and shall hold their office until others are elected in their stead. Nine or more of the trustees shall constitute a quorum for the transaction of business."

"§5. The trustees shall at their first meeting divide themselves by lot into four classes of five each; the term of the first class shall expire at the end of one year; the term of the second class expires at the end of two years; the term of the third class shall expire at the end of the third year; and the term of the fourth class shall expire at the end of the fourth year, and so on successively each and every year. The seats of the several classes shall be supplied by the members of this corporation; and vacancies occasioned by death, resignation or removal from the state shall be filled by the board of trustees, a plurality of votes constituting a choice. Each class shall hold over until others are elected in its stead; and this section shall not be so construed as to prevent a trustee going out from being eligible as a new trustee."

It is to these provisions of the charter that the General Term refer in their opinion in the Beers case at page 83 of the opinion.

III.

We do not find any direct authority sustaining the proposition announced by the General Term in the Beers case as above set forth.

It is sufficient, however, for us to say that the law of the land has been declared by the Supreme Court in this department, and that the law thus declared was properly applied by the Trial Term in the case at the bar.

IV.

The Trial Court, therefore, committed no error in its ruling to the effect that this case is governed by the decision in Beers against New York Life Insurance Company, and the judgment should be affirmed with costs.

WM. B. HORNBLOWER,
JAMES BYRNES,

Of Counsel for Respondent.

An examination of the respondent's points discloses the fact that the counsel of the New York Life Insurance Company rested its defense solely upon the ground that the company had no power to make a life contract; that at no time "has any officer of the defendant, or the trustees of the defendant, had any power or authority to make a contract with the plaintiff or any one else, to continue during the life of the plaintiff or of any other person." The decision in the Beers case is the sole reliance of the company in defending the Carney case. In the Beers case it was held, Judge Van Brunt writing the opinion, that the trustees had no power "to make contracts which might extend far beyond their terms of office;" also that they had "no power to make a perpetual contract."

The correctness of these rulings may well be questioned in view of "point 3" submitted by Mr. Hornblower, who acted as counsel for the company in both the Beers and the Carney cases. Mr. Hornblower frankly confesses, "We do not find any direct authority sustaining the proposition announced by the General Term in the Beers case as above set forth." In fact, such decisions as bear upon the point at all are opposed to the view presented in the Beers case.

It may be mentioned just here that Mr. Beers proposed to appeal his case to the Court of Appeals, but the trustees of the New York Life Insurance Company made a compromise with him, and instead of paying him \$37,500 a year for the remainder of his life as the contract, alleged to be illegal, contemplated, they gave him \$25,000 a year until his death.

One other fact stated in the brief of the company's counsel should receive attention. When the case came on for trial in

the lower court the plaintiff was called and sworn, "*but before his testimony was begun counsel for defendant (the New York Life Insurance Company) moved to dismiss the complaint.*" The ground stated was that under the Beers decision the company "has no power to make a contract for life with any person." The introduction of Judge Ingraham's opinion shows that the motion to dismiss was granted on the ground "that the action, as appears from the pleadings and the opening, rests upon an agreement set out in the complaint which, *under the ruling in the Beers case, appears to be void.*"

Having thus presented as clearly and as fairly as it seems to us possible the issue raised in the Carney case, we proceed to examine the decision of the Appellate Division to ascertain how it was disposed of. In the concluding paragraph of the decision, this issue, and the only one raised by the defendant company is thrown out as follows: "The learned counsel for the appellant criticizes the decision of the General Term of the Supreme Court in the case of Beers vs. New York Life Insurance Company (66 Hun. 75), but it is not necessary now to discuss the question whether or not in such a case as this the board of trustees or directors of a corporation would have power to make a contract with an employee for any definite time."

The Appellate Division, therefore, does not sustain the Beers decision at all, but it decides the Carney case upon other grounds. First it limits the meaning of the word "appoint" to the mere designating of a person to fill a position. If we read the opinion correctly, it lays down the rule that the authority to "appoint, remove and fix the compensation" of an employee does not confer the power to fix the term of service. Such a ruling would leave the trustees of a corporation powerless to engage a man for a year, a month or a day. It seems to us a strained interpretation of a word having a plain significance, while it undertakes to eliminate from contracts one of their most essential factors. There is scarcely a contract which a company can make into which the element of time must not enter, and to hold that no contract for a stated period can be made, is to hold that the appointing power can make no contracts at all.

What might follow the abuse of the appointing power is immaterial in this case. Any power lodged in the officers or directors of a corporation may be abused, but that fact in no way affects the legality of such power. The trustees of any mutual life insurance company may now do a thousand and one acts that will jeopardize the interests of the policy holders, acts worse than making perpetual contracts with employees, but no court will interfere with the exercise of the powers delegated to such trustees on the ground that they *might* be abused.

The further objection that anyone might swear that a verbal contract had been made with him by a deceased officer is hardly germane to the question involved in the Carney case. The burden of proving the contract rested upon the plaintiff, and upon the jury developed the duty of deciding as to its credibility. As appears in the records of the case, the plaintiff was not permitted to offer any evidence whatever, the court dismissing the case on the ground that the company could not legally make a life contract with anybody. In view of that fact, that portion of the opinion which discusses the lack of evidence to support the claim of the plaintiff that a contract had been made with him, appears to be a gratuitous assumption outside of the case itself. Just what evidence the plaintiff had either to prove the making of the agreement or

the ratification thereof, or of the knowledge of or acquiescence of the trustees in, the acts of the officers authorized to make the agreement has not been disclosed, the plaintiff having been prevented from producing any evidence on those points.

As the case now stands, the lower court declined to hear any evidence on the ground that even if a contract was made it was invalid, while the Appellate Court decides that even if the contract were valid there is no evidence to prove that it was made. Between those two stools the defendant may fall to the ground if the Court of Appeals gets a chance to decide the question. If the officers had the power to make such a contract as the plaintiff claims they made with him, and the decisions of the courts in other cases point that way, then the plaintiff will be given the opportunity to produce before a jury such evidence as he may have to prove the contract, and until he has that opportunity it is beyond the power of anyone but the plaintiff and his counsel to know upon how good a foundation his claim rests. All oral contracts are not illegal because they are not in writing, and the fact that a party to an oral contract has died does not make the contract void. Neither does the fact that one of the parties neglected to make a proper record of a contract which he entered upon, deprive the other party of his rights under such contract, if the contract was originally valid.

It is proper that the courts should inquire very searchingly into every claim such as is the basis of the Carney suit, the evidence should be carefully weighed and sifted, and the proof of such a contract should be unquestionable, but there has been no such inquiry in this case, no weighing of evidence whatever. If the decision of the Appellate Division is to stand upon the grounds presented, then every oral contract would seem to be invalid.

THE GUARANTORS IN MISSOURI.

The following certificate has been issued to the Guarantors by the Missouri department:

"I, Ed. T. Orser, Superintendent of the Insurance Department of the State of Missouri, do hereby certify that I have personally visited the home office of the Guarantors Liability Indemnity Company of Pennsylvania, situated in the city of Philadelphia, and that after an examination of the questions involved in said company's statement and after a conference with the Superintendent of the Insurance Department of the State of Pennsylvania, I have fully satisfied myself as to the correctness of the statement of said company, and said company is hereby authorized to transact business in the State of Missouri, under a certificate of authority previously issued by the Insurance Department of Missouri to them.

"In witness whereof, I have hereunto set my hand and seal this seventeenth day of June, A. D. 1897.

(Signed)

Ed. T. ORSER,

"Superintendent of Insurance."

MUTUAL LIFE UNDERWRITERS.

At the annual convention of Mutual Life Underwriters the following officers were elected: President, William Law, Jr., Chicago; First Vice-President, Alex. MacKnight, Philadelphia; Second Vice-President, Craig Coffelt, Atlanta, Ga.; Secretary, George W. Harbin, Waterloo, Iowa; Treasurer, John J. Acker, Albany, N. Y. Executive Committee—Chas. M. Turner, Birmingham; L. G. Fouse, Philadelphia; Geo. D. Eldridge, New York city; W. H. Seelinger, Galesburg, Ill.; Dr. O. M. Bellfy, Milwaukee, Wis.; Chas. A. Capwell, Chicago, Ill., and Chas. F. Rainer, Dubuque, Ia. The next annual meeting will be held at Mackinaw, Mich., July 12th, 1898.

THE GOLDEN GATE TO THE FLEECE-LAND



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STRUGGLING
IN A SEA OF
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DECLARATION

TAKING THE PLEDGE

CLIFF HOUSE
4TH JULY
1897



ATION OF DEPENDANTS

N THE PACIFIC COAST.

MANAGER'S
FUN
ON
BED-ROCK!

OBSERVATIONS.

The discoverers of a reinsurance deal between the Massachusetts Benefit Life of the first part, and the Mutual Reserve Fund Association of the second part, have used to brush up their law a little. President Rolker has informed the Hawk-shaws that a two-thirds vote of the policy holders of both companies, after due notice given, is a necessary factor in the consummation of such a deal.

The Ohio Supreme Court supports Insurance Commissioner Mathews in his refusal to allow the Lloyds to do business in Ohio. Ex-Commissioner Hahn's well-laid plan has gang alee.

The New York Insurance Department is through with its examination of the Greenwich Insurance Company, and is now at work on the Mutual Fire. The former company came off all right, as was expected, and even with P. B. Armstrong in hot scent, the Mutual Fire is likely to fare no worse.

The boy stood on the burning deck
Till all but him had fled,
And then he put the fire out,
And went and cruised ahead.

And when he'd had enough of that
He sailed into the dip,
And got a thousand dollars down
As salvage on the ship. —*Harper's Bazar.*

There seems to have been big money in insuring the life of Queen Victoria for the Jubilee. The underwriters at Lloyds, London, are credited with \$500,000 profit. They might now take to selling chances on the Queen's letting Wales take a turn at the wheel without waiting until he is an orphan.

Governor Bloxham has appointed Mr. James B. Whitfield State Treasurer and ex officio Insurance Commissioner for the State of Florida, with headquarters at Tallahassee, Fla.

Commissioner Merrill has declined the invitation of Superintendent Payn to join him in an examination of the Globe Fire Insurance Company. Commissioner Merrill is very busy these days sawing wood and saying nothing.

Judge Foster, of the United States District Court at Topeka, Kansas, has clipped the claws of Commissioner McNall. The Judge holds that the Commissioner cannot revoke the license of the Metropolitan Insurance Company for refusing to pay a claim unless a judgment has been obtained against the company and remains unpaid ninety days. The McNall law and order society will have to disband until legislatures and courts are abolished.

Attorney-General Hancock, in response to an inquiry from State Superintendent of Insurance Lonis F. Payn, has written an opinion in which he holds that bonds and mortgages held by domestic co-operative and fraternal life insurance companies, as well as by other domestic life insurance companies, representing accumulations held for the exclusive benefit of parties insured, are not liable to taxation.

"It seems strange," said Barnstormer to a friend, "that when an egg isn't good for anything else it goes on the stage." *Fewster Statesman.*

Old Millyune: "Young man, my daughter tells me that you kissed her last night."

Percival Tootles: "Well, if she wants to go around bragging about it, that's her privilege." —*Cleveland Leader.*

Hojack: "Can you give me a good rule for playing poker?"

Tomdick: "I can."

"Go ahead."

"Don't poke." —*Louisville Courier-Journal.*

"Do you know what you are trying to say," asked the final fanfinder, "when you speak of a man going to an untimely grave at the age of eighty?"

"I do," said the undaunted obituarist. "The old villain ought to have gone there forty years ago." —*Cincinnati Enquirer.*

RECEIVED WITH THANKS.

Bound volume of *The Indicator*, Vol. XIX, July, 1896, to December, 1896, for which Editor Frank H. Leavenworth will accept our thanks. There is a big reserve of valuable information between the covers.

Insurance Laws of the State of Montana, containing also Acts of 1897, issued by the Insurance Department of Montana, the Hon. T. W. Poindexter, Jr., State Auditor.

Directory of the Insurance Companies and their Agents in Connecticut, a very complete list, covering life, fire, marine, accident and casualty companies, including the names of insurance brokers.

Letters, Fables and Sayings of "Amicus," republished from *The Weekly Statement*, and issued by the Mutual Life Insurance Company. The tales lose nothing by retelling, but, on the contrary, are even more readable than in their original form. The book will make excellent summer reading, and ought to make business for the G. O. M.

Annual Report of the Insurance Commissioner of Kentucky for the year ended December 31, 1896, Part II, covers fidelity and casualty, life and assessment companies. Hon. D. N. Comins, Commissioner.

We are indebted to President L. G. Fouse, of the Fidelity Mutual Life Association, for a copy of the "Synopsis Report of the Exercises dedicating the new building of the Association and of the Proceedings of the Convention held by its Agents following the dedication, July 1-10, 1896." The book contains about 300 pages, handsomely printed and illustrated, and is a valuable contribution to insurance literature. It abounds with portraits of artistic excellence, among the best of which is the striking likeness of the president, Mr. L. G. Fouse.

Connecticut Insurance Report. Part III. Secret or Fraternal Societies. 1897. A report by the Hon. Frederick A. Reits on the fraternal societies doing an insurance business in the state.

Forty-second Annual Report of the Insurance Commissioner of Massachusetts. Part II. Covering the life, casualty and assessment insurance companies doing business in that state in 1896. Hon. George S. Merrill, Insurance Commissioner.

Royal

INSURANCE COMPANY
(FIRE)
Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,
JANUARY 1, 1897.

Assets, \$ held in the U. S. for the special purpose of insuring American Policy holders, \$7,481,311.62
Liabilities, - - - 5,126,654.72
Net Surplus, - - - \$2,354,656.90

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Statement of Business for 1896.

Policies written during 1896	10,643
Insurance applied for in 1896	\$17,909,096.00
Insurance written in 1896	14,000,720.00
Total assets	1,127,886.91
Amount paid in losses	5,053,086.00
Total amount paid in losses since organization	13,890,480.86
Insurance in force	90,967,600.00

JOHN HENRY BOLKER, President.

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THE Lancashire Insurance Company

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Assets, - - - - -	January 1, 1896.	- \$2,007,854.04
Liabilities, - - - - -		1,907,814.79
Net Surplus, - - - - -		\$770,041.04

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CHRISTOPHER S. BURN, Esq., of Pitts, Fabyan & Co.
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H. FAIRFIELD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserves for Insurance in force, etc.	4,617,108.37
Net surplus	6,084,718.76
Policyholders' surplus	2,064,518.16
Gross assets	7,770,547.10

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COMMENCED BUSINESS IN APRIL, 1892.

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AT

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FINANCIAL STATEMENT

For Year ending December 31st, 1896.

Assets	\$232,141.03
Liabilities	189,778.24
Surplus	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

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OF NEW YORK. [A Stock Corporation.]

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$100,000.00
Reinsurance reserve and all other liabilities	\$4,073.67
Net surplus	\$7,196.88
Total assets	\$1,048,403.15
Losses paid since organization	\$,000,000.00

H. A. LUDEWENTHAL, President. AARON CARTER, Vice-President.
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1850.

1896.

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J. J. GULE, Manager.

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A. M. THORBURN, Secretary.

NORWOOD INSURANCE CO.

OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital.....	\$200,000.00
Total cash assets.....	610,316.45
All liabilities, including reinsurance reserve.....	378,218.16
Net surplus.....	\$221,098.39

ANDREW J. ARMSTRONG, Sec.

GEORGE B. PORTER, Pres.

J. JAY NEWELL, Sec. Local Dep't.

HENRY ADAMS, Jr., Vice-Pres.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital.....	\$1,000,000.00
Reserve for unexpired premiums.....	1,334,673.94
Reserve for losses under adjustment.....	67,000.00
Reserve for all other claims.....	30,000.00
Net surplus.....	1,428,673.94
Total assets.....	\$2,444,741.27

RUGO SCHUMANN, President.

FR. VON BERNUTH, Vice-Presidents. CHAS. RUTKHAVER, Secretary.

GEORGE E. EDWARDS, Jr., Vice-Presidents.

GUSTAV AXER, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1881.

HON. GEORGE A. COX,

J. J. KENNY,

President.

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - -	\$1,636,689.35
Surplus in United States, - - -	547,731.08

HANOVER FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
 UNITED STATES.



FOR FIRE INSURANCE. Agents in United States. - - - - - \$9,051,444.71 Net Surplus, - - - - - 508,425.04

Writing Large Lines on Durable Principles.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM BELL, WILLIAM WOOD, JOSEPH MANAGERS.

WILLIAM H. BALLARD, BRANCH SECRETARY.

21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?
 SUBJECT TO THE
 INVARIABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS:

Tenetic

Annual Divi-

dend or

Retractable

Term.

UNION MUTUAL LIFE Insurance Company,

Incorporated 1849.

Reliable

Agents

Always

Wanted.

FRED F. RICHARDS, President, ARTHUR L. SATCHEL, Vice-Pres.

Address either: [180] N. D. STUFFIELD, Bldg., 110 American Trust Building, 150 Nassau Street, N. Y. City.

[THORNTON CHASE, Bldg., 24 Adams Street, Chicago, Ill.]

You need Exercise



"If business men knew how much they need outdoor exercise there would not be enough Columbia bicycles to go 'round."

COLUMBIA BICYCLES.

Standard of the World. \$100 to all alike.

HARTFORDS, Next Best, \$60, \$55, \$50, \$45.

Catalogue free from Columbia dealers; by mail for 2 c. stamp.

POPE MFG. CO., HARTFORD, CONN.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$205,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.
Chartered 1846.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1897.
Assets, \$462,176.22
Capital and Net Surplus, \$18,875.77
Eugene H. Wynn, President
Dwight D. Westcott, V. President
S. W. Barton, Sec'y.
Chas. F. Frost, Gen. Agent,
No. 146 La Salle St., Chicago.

NEW YORK UNDERWRITERS AGENCY

(INCORPORATED 1864)

Local Agents in all Prominent Localities in the United States.

Office: 100 William Street, New York.

A. & J. H. STODDART, General Agents.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE
WASHINGTON
Life Insurance Company
OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.



Bonds Issued for Employers, Administrators,
Guardians and in Judicial Proceedings.

W. L. TRENHOLM, President.

HENRY D. LYMAN, Vice-President.

Resident Trustees, New York.

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F. W. Vandergrift,
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Walter S. Johnson, Jr.,
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Chambers M. Deperre,
John E. Scarsdale,
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Geo. F. Vorse,
H. L. Lyman,
Henry B. Plaut,
Wm. L. Trenholm.

Henry H. Cook,
Wm. B. Knudsen,
Wm. Dowd,
Edwin Reed,
C. L. T. Barry,
G. N. Edgar,
Wm. A. Nash,
Willie B. Foster,
W. S. Garraway,
James A. Hastings,
John A. McLeod,
Jackson Mills,
Jas. Hillman.

CAPITAL, \$1,500,000.

HOME OFFICE
BUILDING,
200 - FIVE.

ROBINSON SUPER-EDUC.
Statement, December 31, 1896.

REPORT BY THE INSURANCE COMPANY, \$1,500,000.00. \$5,112,802.70
LIABILITIES (including reserve), \$60,000.00. \$29,196.81

1860—1897.

United Firemen's Insurance Co.,

PHILADELPHIA.

Assets, January 1, 1897, \$1,426,021
Surplus to Policy Holders, 502,568
Capital, 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life
Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827
Income, - - - 14,158,445
Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well
as Industrial business, and offering exceptional advantages to its
Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA,

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REPRESENTATIVE BUSINESS CONNECTIONS,
MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.

The *Quarantors*
LIABILITY-INDemnITY-COMPANY
OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.
New York Office: 115 BROADWAY.

THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, JULY 16, 1897.

No. 16.



BY THIS SIGN WE CONQUER.

"With malice toward none, with charity for all,"

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LEXINGTON STREET, NEW YORK.

Subscription price (postage free), - - - \$7.00 per annum.

European Subscription (postage free), - - - 8.50 " "

Payable in Advance.

Single copies, - - - 10 cents.

Entered as the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

PRINCIPLE DOWNS PREJUDICE.

While the fight against the Superintendent of Insurance of Kansas was forced upon the Metropolitan Insurance Company, it is none the less to the credit of its President, Mr. John R. Hegeman, that he promptly picked up the gauntlet thrown down to him. The Kansas business of the company was not so important to it that it need to have gone to the expense or subjected itself to the annoyance of litigation. It might have retired from the state and left the people of Kansas to settle with the man who foolishly imperilled their interests. This the company might have done and suffered no loss in a pecuniary sense.

There was an important principle at stake, however, and Mr. Hegeman deserves due credit for having met the issue which was to decide it. He has the satisfaction now of having well performed a duty and of having laid prone under his feet the enemy who raised the black flag. Giving Mr. McNall credit for good intent and honest prejudice, nevertheless he asserted a right which was despicably wrong. The United States Court has exposed the fallacy of his notions and the wickedness of the principle he attempted to establish.

The opinion of Judge Foster makes clear two points: one, that the Insurance Superintendent of Kansas has no authority to revoke or suspend the certificate of any company doing business in the state, if such company is solvent and complies with the laws of the state. The other point is that a state cannot deprive a company of its right to resort to the courts for redress and settlement of disputed claims. The decision even goes so far as to maintain that even should a company, in consideration of being admitted to do business in a state, stipulate not to resort to the courts of the country to invoke the protection which all the laws and all the courts may afford him, the stipulation would be wholly void.

The position taken by Superintendent McNall was that the Metropolitan Company having refused to pay, at his demand, a claim which it believed to be fraudulent, and which it was prepared to resist in the courts, he could debar the company from the state and no one could interfere with his arbitrary action. The United States Court has taken the opposite view, and even the Insurance Superintendent of Kansas must bow to the majesty of the law.

VAN CLEAVE'S READY RELIEF SCHEME.

Superintendent J. R. B. (etc.) Van Cleave of the Illinois Insurance Department may not know much about insurance but he is in the way of learning something. The superintendent announces that he is going into the publishing business and has invited the insurance companies doing business in Illinois, or which hope to, to send in their cards. "A Complete Directory and Ready Reference Book of the Insurance Companies Complying with the State Insurance Laws" is the condensed title of the work which the superintendent proposes to use in working the companies. Every company is being invited to send its name—and money—to be placed on the (black) mailing list.

The toll has been fixed at \$100 per page of 6 x 9 inches, the size of the page being suggestive of the benign consideration the superintendent may be expected to show all insurance companies—which advertise in his directory. One-horse concerns which realize the importance of maintaining pleasant relations with the powers that be, but have absurd economical notions, may indulge in half a page at \$50, and will find that half a card is better than no card at all. The C. C. and the R. B. will have a circulation of 50,000—no affidavit—and will be "well and bandomely printed and bound."

A "P. S." to the official demand announces that "the work will reach the press not later than July 20." From the angry expressions of many insurance officials who have been invited to put \$100 in the slot, it appears that the "work" has already reached the "press." The suspicion that Mr. Van Cleave is in the Insurance Department of Illinois for his health is rapidly being played.

Moral.—There was an Insurance Commissioner in Connecticut once named Sperry who tried the Van Cleave game. He didn't get the "ads." and he lost his job.

PREFERRED ACCIDENT.

The Preferred Accident Insurance Company having been examined by the New York Insurance Department, now occupies a position which the most capacious critic cannot deny is impregnable. The company has made a number of progressive changes in its methods lately, and to this fact is due whatever misunderstanding may have existed regarding its affairs. When the examination was made the Department ruled that the unearned premium reserve should be calculated at a much larger amount than had been figured by the company. The effect of this was to make the surplus of the company apparently only \$6,389 instead of \$119,657 as reported by the company on December 31 last. The point was one on which experts might reasonably differ, but even accepting the Department's construction, the company was in an absolutely solvent condition, every dollar of liability being offset by a dollar of assets, with a surplus of \$6,389, as already mentioned, beside. The total assets as reported by the Department were \$124,772, while of the liabilities \$214,619 was unearned premium reserve. The company could have gone on just as it was, and no one could have questioned its ability to meet every obligation. Having, however, reported its surplus as \$119,657, the directors of the company felt a pardonable pride in keeping it up to that figure, and they therefore made a voluntary contribution of \$120,000, which not only makes the surplus more than \$116,000 but increases the assets to about \$525,000. That leaves the Preferred Accident in a very strong position indeed.

The report of the Department says concerning the promptness of the company in paying claims: "In the payment or settlement of policyholders' claims no criticism can be made. The company deals as liberally with claimants as it is justified in doing in the intelligent and prompt adjustment and payment of all obligations growing out of policy contracts. Where claims are in suit the defense interposed in resisting payment comes clearly within the corporation's rights as defined by its contracts out of which these suits grow."

Superintendent Payn adds this endorsement of the company: "I consider it but proper to state that the affairs of the company appear to be honestly and intelligently managed, and the action of the stockholders in voluntarily increasing its surplus as shown by the supplemental report is highly commended by this Department."

A CENTURY RUN FOR ASSESSMENTISM.

The statistics presented at the National Convention of Mutual Underwriters shows that of assessment companies and fraternal organizations the insurance in force at the close of 1896 was \$7,799,428,000. The total income during 1896 was \$103,331,589, and the total expense of conducting business was \$79,235,222. It appears, therefore, that the net income, less expenses, last year was nearly \$75,000,000, while the insurance in force was nearly \$7,800,000,000. On the assumption that all the insurance in force will become a matured obligation some time, and further assuming that the income will continue as large as it was last year and that assessments will not increase, it would take 104 years' income at the present rate to pay all the policies now outstanding.

The New York Insurance report gives the total insurance in force of the old line companies on December 31, 1896, at \$4,967,576,418, the total income at \$179,373,406, and the expenses of management at \$64,163,732, making the net income about \$215,000,000. With that rate of income maintained, it would require less than 24 years to pay every dollar of insurance now in force. Some of the assessment fellows will not live to collect their insurance money, that's very certain.

FIRES AND FOLLY.

With good faith and reasonable business acumen, fire underwriters have a fair chance of enjoying a third successive good year. The *Journal of Commerce* reports the fire loss in the United States and Canada in the first half of the current year at \$57,940,450, which compares with \$63,959,550 in the corresponding period in 1896 and \$66,497,600 in 1895. June was the lightest month of all, the loss in that month being only \$5,684,450, which is nearly \$10,000 less than in June last year, the banner month of 1896. A decrease of nearly 10 per cent in the half year as compared with 1896 and of more than 13 per cent. compared with 1895, both good years, is a very encouraging showing.

But against this must be set off the woful waste of underwriters, who are willing to sacrifice profits for business. The leaks are tremendous and too many managers are boring holes in their own craft, hoping that their half submerged vessels will wreck life ships. One needs but talk ten minutes with a well posted underwriter to discover that bad faith honeycombs the entire fire insurance business. The most solemn contracts are violated both secretly and openly, and yet they are entered upon by honorable men whose integrity is beyond question. There is a mad recklessness which undermines conservatism, and it is playing havoc with the fire insurance business.

THE PRUDENTIAL IN ORDINARY.

The success which is attending the efforts of the Prudential Insurance Company to extend its ordinary life business is a matter for congratulation, not merely as it affects the prosperity of that worthy exponent of life insurance, but also as it relates to the increasing usefulness and popularity of life insurance generally. Industrial insurance has carried the benefits of life insurance to a class of people whose doom have been bolted and locked to the solicitor of ordinary insurance. It was no easy matter to break down the barriers which seemed to defy every effort to effect an entrance, but the masterly genius of men like Mr. Dryden of the Prudential and Mr. Hegeman of the Metropolitan accomplished the impossible, and the number of policy holders who are carrying industrial insurance in this country is as 7 to 2, as compared with the number of policy holders in the companies doing only the regular life insurance business.

The Prudential now has nearly 2,500,000 policy holders in its industrial branch and nearly \$300,000,000 of industrial insurance in force, an average of about \$120 insurance for each policy holder. More than 100,000 policy holders were added to its list last year over and above the number who retired, and the insurance in force was increased more than \$10,000,000. No ordinary life insurance company was able to show anything like such a gain in number of policy holders, and only three gained as much in insurance in force. It is apparent, therefore, that the Prudential holds an exceptionally favorable position from which to operate its forces in the ordinary life field.

It has already been demonstrated that the people who take industrial insurance can be induced to take ordinary life insurance as well. The Prudential has been working very successfully in that field. In its ordinary department it issued 17,695 policies last year, writing \$21,190,631 of insurance, and gained for the year 4,914 in number of policies and \$6,706,790 in insurance in force. Only four other companies made as good a showing last year. These results are of extraordinary magnitude, but are explainable in the fact that the company is cultivating virgin soil. The average amount of each new policy issued in 1896 was less than \$1,200, while the average for all the ordinary life insurance companies was \$2,400. The vast and smooth running machinery employed by the Prudential Company enables it to cater for a class of business the cost of getting which would be practically prohibitive for the other companies.

Since idea of the labor involved in securing the volume of ordinary business now on the books of the Prudential Company may be gained by a comparison of the amount of insurance in force in a few companies having approximately the same number of policy holders as the Prudential. We mention a few for this purpose:

	Number of Policy Holders.	Insurance in Force.
Prudential.....	35,807	\$41,422,845
Home.....	21,646	41,071,980
State Mutual.....	21,376	62,090,714
Manhattan.....	24,954	57,660,441
Provident Savings.....	20,148	80,174,685
Travellers.....	31,045	88,141,169
National.....	34,382	72,474,731
New England Mutual.....	31,619	99,976,092
Provident Life and Trust.....	35,291	113,954,246

Other companies with no larger a body of policy holders than the Prudential have \$100,000,000 of insurance in force as compared with the Prudential's \$41,000,000, while, on the other hand, companies with less than one-half of the number

of policies have as much insurance in force. It is the difference between writing \$1,000 policies and \$1,500 or \$3,000 policies, the work in each case being about the same.

It might be inferred that because of the low average of the policies written by the Prudential, its expenses must be excessive as compared with those of companies writing the larger policies. Investigation proves the contrary, and the fact might easily be demonstrated that based upon the amount of insurance written, the expenses of the Prudential in its ordinary department are less than for many of the companies which do not write industrial insurance at all.

If the Prudential shall succeed, as it seems likely to do, in popularizing ordinary life insurance among the classes which it has won to the faith in the industrial branch, it will accomplish an immeasurable amount of good. Its splendid reputation, the unimpeachable integrity of its management, the well trained and efficient force it has enlisted in its service, are factors which assure success. The Prudential, with its record of more than twenty years of straight-forward, honest dealing, has a hold upon public confidence which guarantees the accomplishing of the mission which it has undertaken, and among its two and a half millions of industrial policy holders we may expect to see it enroll upon its ordinary life lists hundreds of thousands.

PRUSSIA AND THE TONTINE SURPLUS.

At the hearing of the Prussian fire insurance companies upon their application for admission to the State of New York, considerable pains were taken to enlighten Superintendent Payn on the cause of the exclusion of some of our life insurance companies from Prussia. The impression has generally prevailed that the Prussian Government had simply committed an arbitrary act in order to protect its own companies from American competition. Those who took the trouble to investigate the matter and to ascertain the Prussian side of the case discovered that the Government could more easily justify its course than can some of our own states their policy of exclusion practiced against companies of other states.

Some of the facts were brought out in the late hearing before Superintendent Payn. Mr. Amasa Thornton called the attention of the superintendent that the Germania Life Insurance Company is still doing business in Prussia and makes its reports in compliance with its requirements. Mr. J. Rider Cady, counsel for the Magdeburg Fire Insurance Company, said that not only had Prussia not discriminated against our companies but had extended to them the same facilities that she grants to her own. The Germania is doing business in Prussia upon the same footing as and under the same conditions and requirements that confront the domestic corporations of that kingdom.

Mr. Thornton further explained that the difference between the excluded American life companies and Prussia was principally about the new requirements of the Prussian authorities as to tontine surplus. The Germania Life divided it into classes as required by Prussia, but some of the American life companies decided not to give the classes. He referred to the fact that the State of Connecticut requires the tontine surplus to be stated separately from the other surplus and is now considering the question of dividing it into classes.

Mr. Cillis, Secretary of the Germania Life, made this ex-

planation regarding the requirements of Prussia: "We have to state cost of real estate, market value and net rental after deducting expenses. All of the report has to be published by the company itself and it takes a big book. This is the latest form as required by the Prussian Government. The policy holders must pay for the report. I don't think the requirements are unfair. I consider it right and just that this information should be given. It made us much work at first. We now keep our books accordingly. The Prussian Government allows us to charge 52 pfennigs or 12 cents for these reports."

Instead of condemning Prussia for the action it has taken concerning the reports required from our companies, it might be wiser if similar requirements were incorporated in our own laws. There is much uncertainty as to the character of the surplus of companies which have a large tontine surplus, not their own, yet included in their general surplus. We might take a leaf out of Prussia's book and gain some important information if nothing more, but probably more.

AS OTHERS SEE HIM.

Following are a few of the choice epithets descriptive of Mr. McNall, of Kansas, which have appeared in insurance papers. Presumably they were intended as convincing arguments:

A man with a face like a rutabaga crossed with a hook-necked squash.

Kansas sharp.

Freak.

The great "I Am."

Kansas scatterbrains.

Ill-favored fellow.

That singular individual.

Ass.

Bould Buencer of the Kaw.

A plain liar.

Fool.

Hog.

That bucolic and erratic individual.

Wide-mouthed freak from the "Sunflower" State.

And there are others.

THE RAPE OF THE MASSACHUSETTS BENEFIT LIFE.

The report of the special commission which examined the Massachusetts Benefit Life Insurance Association, is a disagreeable disclosure for those who have tried to believe that the Litchfield management had been unjustly criticized. The report shows that from 1883 to 1889 the directors' commissions annually were from \$10,000 to \$17,600; in 1890 they were \$34,000; in 1891, \$63,600; in 1892, \$67,700; in 1893, \$107,300; in 1894, \$57,800; in 1895, \$76,300; and in 1896, \$81,400. Besides these sums, part of which went to G. A. Litchfield, that gentleman received commissions on the business prior to 1890 to an amount undetermined by the commission, and \$138,450 in the three years 1892 to 1894 inclusive. The other directors also received salaries ranging from \$4,000 to \$7,500 per annum. Even these figures fail to show the total take-off of the gentlemen who were managing the Massachusetts Benefit Life so wisely and disinterestedly, for the commission was unable to finish its work of investigation when it was called off.

The following extract from the report of the commission

discloses the manner in which the officers dealt with the trust funds in their possession:

In this way the draft upon the mortuary fund has been solely subject to the discretion of the officers of the association, who, while still paying themselves profits out of the expense fund, were at the same time drawing moneys from the mortuary fund to meet such class of expenses as, under the loosely drawn statute, they decided that they might impose upon that fund. The methods of the management seemed to be to pay the expenses of the association, including a dividend of profits to themselves, and then, when the expense fund had been exhausted, to draw from the mortuary fund, and reimburse themselves for sundry amounts which they had paid for expenses, and which, as they interpreted the statute, they thought might properly be charged to mortuary account, limited only in their draft upon this fund, first to an amount not exceeding one-thirtieth of one per centum bi-monthly on the insurance then in force, and, second, to an amount not exceeding the amount of the accounts kept separately in the expense fund books for the purpose ultimately of being drawn out of the mortuary fund as above stated.

THE PENN MUTUAL.

Mr. Harry F. West was installed as President of the Penn Mutual on July 1st, and Mr. George K. Johnson as Vice-President. The expressions of loyalty to the new executives which come from the entire field force must be highly encouraging to those gentlemen. That the Penn Mutual made no mistake when it decided to go West is already apparent.

MCCALL'S OPINION OF HIS AGENTS.

There is an old saying "like master like man," and it is possible that the agents of the New York Life Insurance Company, or some of them, may have been suffering from growing-pains in the head. If so, the following cold douche from the Superintendent of Agencies, who is also a son-in-law of Mr. McCall, ought to reduce the swelling and possibly slay the inflammation:

You will realize that the thing that got you your \$10,000 policy, after all, *wasn't your own eloquence*, but a deep-seated respect which the gentleman you were insuring felt for this company and its President. There will be many other cases where this will be the determining factor in the case, but you may not be conscious of it. (D. P. Kingley in a circular letter to the agents of the New York Life.)

It is a good thing for New York Life agents to know exactly what the McCall family think of them and of themselves. Communications such as the above will naturally tend to broaden the respect for Mr. McCall where it appears to be deepest.

BETTER TOO MUCH THAN TOO LITTLE.

The question "How much insurance should a man carry?" is being seriously discussed by a number of insurance papers, and we hesitate to put our ear in. Still we are constrained to present as our view the one expressed by President Lincoln regarding the proper length of a man's legs: that they should be long enough to reach from his body to the ground. We think a man's insurance should be large enough to keep his widow and orphans from shuffling along on the hard ground of poverty, and as much higher as his financial ability will permit. Few men do this, so the best answer to the question how much a man should carry is, "a good deal more than he is carrying."

TAXING LIFE INSURANCE.

Laying taxes upon life insurance is a form of indirect taxation even more insidious and objectionable than that method of raising revenue usually is. The tax spenders long ago discovered that they might slich from the tax payers ad libitum and with impunity so long as they kept their victims in ignorance of the losses the latter were sustaining. Hence we find the taxing power of the state intruding and planning to increase the burden of taxation in gross, while trying to conceal from the individual tax payer the fact that his share of the burden is being increased.

Life insurance has attracted the greedy eye of the taxing power, and heavy as is the burden now laid upon it, there can be no doubt that it will have to respond still more liberally to the cry of "give, give." The leech has powers in reserve that may yet leave insurance bloodless. It is astounding that while other countries are leaning towards compulsory life insurance as a means of elevating the individual and of serving the public good, in this country of ours antagonism to life insurance is rampant and obstreperous. Nominally we are a government for the people by the people, actually we are becoming a government of the people by the politicians for the politicians.

There is not a civilized government on the face of the earth which does not recognize the beneficial effects of a system of providence and thrift, which makes the individual superior to the impoverishing influences of death and accident. In no country more than ours is such recognition more universal among the masses, and yet in no other country are there the same active repellant influences at work to neutralise the good of which life insurance is capable.

The taxes imposed upon our life insurance companies are in great part simply contributions levied for the purpose of keeping meat in the bag of hungry politicians. Outside of the statistical information which is supplied by the insurance departments of a few states, there is very little that the public gains from the vast and expensive machinery of insurance supervision. But the taxation of life insurance is not limited to the actual cost of supervision, but some states make it a source of profit and annually cover into their treasuries large sums taken from policy holders, without even a pretence of a quid pro quo.

Life insurance is peculiarly a co-operative, not a money-making institution. Of the life insurance companies doing business in the state of New York, carrying nearly \$5,000,000,000 of insurance, and holding assets equal to nearly 25 per cent. of that amount, but few are stock companies, and their aggregate stock capital is less than \$10,000,000. While they paid to policy holders last year \$134,000,000, the total dividends paid to stockholders were less than \$800,000. Nearly 1,000,000 policy holders are associated together to save themselves or their dependents from the danger of poverty. They are not seeking to make money out of each other; with scarcely an exception all would prefer to live and go on paying premiums rather than to die and win. Aside from the advantage which results to the state in keeping so many people out of the jaws of pauperism, the fact that life insurance is merely a distributor of wealth, not a creator of it, should cause the taxing power to treat it with the most gentle consideration.

Life insurance is not swelling the ranks of large capitalists. The number of large policy holders is small, while the average

amount of insurance carried per policy holder is only about \$2,500. Such an amount were it in actual possession might well be exempted from taxation by the state as an encouragement to thrift. But the life insurance companies doing business in the state of New York last year, paid more than \$2,000,000 for taxes or premiums, for fees, licenses, etc., that is for the mere privilege of doing business. They paid in addition nearly \$2,000,000 for taxes on reserves, investments and real estate. The following is a list of 34 companies doing business in this state, with the amount of taxes which they paid in 1896:

	Tax on Premiums.	Fees, Licenses, etc.	Total.	Other Taxes.
Amica	\$36,131	\$11,094	\$47,098	\$85,046
American Union	1,343	1,516	2,859	..
Berkshire	11,243	2,719	13,962	12,918
Brooklyn	1,211	..	1,211	4,866
Connecticut General	2,077	716	2,843	8,398
Connecticut Mutual	27,254	3,684	30,938	300,253
Equitable	209,687	22,444	232,131	307,755
Germania	15,062	4,814	20,776	21,290
John Hancock	30,459	6,916	37,375	10,977
Home	12,822	13,367	26,189	12,062
Kansas Mutual	746	1,269	2,015	3,291
Massachusetts	125,549	11,579	137,128	29,137
Massachusetts Mutual	22,745	6,505	29,250	27,281
Metropolitan	152,554	23,209	175,763	50,717
Mutual, N. Y. .....	..	..	37,142	238,251
National Benefit	95,074	13,307	107,921	154,403
National	43,822	3,335	47,147	17,973
New England Mutual	27,314	8,256	35,570	46,578
New York Life	199,461	61,448	260,909	267,387
Northwestern Mutual	151,637	15,036	166,673	64,304
Pacific Mutual	3,314	2,359	5,673	3,459
Penn Mutual	67,486	14,435	81,921	107,266
Phoenix Mutual	21,383	6,432	27,815	47,216
Provident Life & Trust	14,224	7,062	21,286	17,806
Provident Savings	21,822	6,843	28,675	2,827
Prudential	134,957	12,804	147,761	66,683
Security Trust	192	2,547	2,739	..
State Mutual	12,893	4,728	17,621	30,795
Travelers	20,111	4,620	24,731	37,479
Union Central	41,605	8,919	50,524	8,234
Union Mutual	11,594	8,112	19,706	13,021
United States	16,239	3,197	19,436	104,438
Vermont Life	2,072	331	2,403	210
Washington	14,203	7,695	21,898	2,866
	\$1,458,171	\$211,023	\$2,149,315	\$1,029,827

When it is considered that the taxes paid on premiums and for fees, licenses, etc., is really taken from the policy holders, who are not engaged in creating wealth, but are simply trying to save for themselves and for each other that magnificent estate of \$2,500 before death shall overtake them, it can hardly be denied that the \$2,149,315 thus taken last year was a pure act of despoliation, the widow and the orphan being the victims. Every dollar that the state takes from life insurance companies by so much enhances the cost of life insurance to the policy holders. In other forms of taxation, as for instance, a beer tax, the burden may fall upon the producer alone, reducing his profits, but leaving the consumer free. In life insurance the policy holder is both producer and consumer; if he charges himself more for his insurance than it actually costs the excess is returned to him, or ought to be. If to the cost is added a tax the policy holder pays it, and if he gets nothing in return he is taxed unjustly, and is the victim of legalized robbery. And to this end comes most of the taxation imposed upon life insurance.

RECEIVED WITH THANKS.

Chronicle Fire Tables for 1896, giving the fire loss in the United States during the past year and with comparative tables for 20 years past. No other publication gives this information, and fire underwriters find it a useful reference book.

The *Investigator* Life Insurance Chart for 1897, a very useful compilation of life insurance statistics arranged by states. Published by the *Investigator* of Chicago.

The *Argus* Comparative Chart, 1897, showing receipts and losses of the principal fire insurance companies doing an agency business in the Western states. Published by the Rollins Publishing Company of Chicago.

OBSERVATIONS.

Titles is out of life and into fire insurance, reversing the process which a New York clergyman some years ago underwent. We believe he retires from life insurance by mutual consent.

"Have you any clue to the assailant?" asked the Court.

"Well," replied Sherlock Holmes, "I think he must have been a Greek. As I approached he ran."—*Philadelphia North American*.

The fight over the Wisconsin candidate for president of the National Underwriters' Association discloses the fraternal feeling that exists between rivals in the life insurance business. When men go gunning for business they do not mind putting a little buckshot into the carcasses of rival sportsmen.

"Simplex answered an advertisement in which somebody offered to sell him the secret for preventing trousers from getting fringes around the bottom." "What did they tell him?" "To wear knickerbockers."—*Cleveland Plain Dealer*.

Detroit, Mich., may be considered a pretty hot place when the temperature rises to a point sufficient to set off fire flags warranted not to go off under 130 degrees. That is what Detroit weather did on the fourth of July.

The Merchants' Insurance Company has demonstrated to everybody, barring Mr. McNall of Kansas, perhaps, that it has a perpetual charter, and that it is lawfully empowered to write tornado business. Mr. McNall is referred to the Act of 1869 and 1875, of the state of New Jersey, to enlighten himself on the subject.

Dawkins: "If you had all the money, Bill, you could possibly ever desire, what would you do with it?"
Kilman: "Do with it? Why, I'd invest it somewhere where it would double itself."—*Boston Transcript*.

Ex-Superintendent J. F. Pierce has been retained as counsel for the Mutual Fire Insurance Company in its fight with P. B. Armstrong. Whether P. B. A. plays law or politics, therefore, he will find the Mutual Fire well armed at all points.

Ikey: "Fader, wot does it mean ven you say a person is 'a man of resources'?"

His Father: "Vell, dot might mean dot he has inchenious means of contracting liabilities."—*P.W.L.*

The selection of Mr. J. Edward Simmons, President of the Fourth National Bank of New York, as trustee of the Royal Insurance Company, in place of the late John H. Inman, is to be commended. Mr. Simmons is a banker, financier and business man. As President of the Stock Exchange he displayed great executive ability.

"What is an average?" asked the teacher. The class seemed to be poked, but a little girl held out her hand eagerly: "Please, it's what a hen lays her eggs on." Bewilderment followed, but the mite was justified by the lesson book, in which was written: "The hen lays two hundred eggs a year on an average."—*Household Words*.

If the factory mutuals have lost seventeen risks to the "so-called stock syndicate" because of the lack of "direct communication" with the Hon. Edward Atkinson, what is likely to happen now that he has withdrawn himself into seclusion for three months? Mr. Atkinson's circular to manufacturers discloses a state of worry which will tend to neutralize the good effects of his "much-needed vacation."

Mrs. Bagrox: "Tell me, professor, will my daughter ever become a great pianist?"

Herr Vogleschnitzle: "I cannot tell."

"But, has she none of the qualifications necessary for a good musician?"

"Ach! Yah, mutam; she has two hands."—*Puck*.

Commissioner McNall now threatens to drive out of Kansas the German Insurance Company of Freeport, Ill., and the Milwaukee Mechanics, because they are pooling their business under the name of the Western Underwriters of Chicago. It is understood that he contemplates a move against the Arkansans and Republican Rivers because of their deadly habit of forming pools.

The world-be blackmailers and bribe-takers of the Pennsylvania legislature have escaped, as it was generally expected they would, when the force of investigating them first began. Well, they are not likely to tackle the Metropolitan Life Insurance Company again, and Mr. Hegeman has pointed the way for other insurance companies in like cases.

Cartoon personal abuse as news, though not prohibited by New York legislature, was strongly recommended, and will ultimately be enacted as the law of New York and other states, against personal abuse.—*Insurance and Commercial Magazine*.

"Surely an intelligent examiner should be able to determine where and for what every dollar of the assets of a company came into its possession."—*Weekly Underwriter*. He can't without all the evidence before him.

Rough Notes shows that in the last ten years the premiums received for fire insurance in Indianapolis were \$4,443,628 and the losses were \$3,502,321, making the loss ratio over 79 per cent. Losses and expenses exceeded the premiums by \$398,795.

"Justice toward all with malice toward none," as Lincoln expressed it, is Editor Livingstone's version of it, and we are constrained to believe "the editor either wrote or edited" it himself.

Royal INSURANCE COMPANY (FIRE) Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,

JANUARY 1, 1907.

Assets, { held in the U. S. for the special pro- { portioned to American Policy Holders, }	\$7,481,311.62
Liabilities, " " "	5,126,654.72
Net Surplus, " " "	\$2,354,656.90

Agencies in all the Principal Cities, Towns and Villages in the United States.

COMMERCIAL UNION ASSURANCE CO., (LIMITED), OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

Massachusetts Benefit Life Association OF BOSTON.


Statement of Business for 1896.	
Policies written during 1896	16,845
Insurance applied for in 1900	\$17,209,985.00
Insurance written in 1896	14,900,720.00
Total assets	1,197,888.91
Amount paid in losses	2,033,960.60
Total amount paid in losses since organization	13,950,480.85
Insurance in force	\$9,957,900.00

JOHN HENRY BOLKER, President.
Hon. CARROLL D. WRIGHT, 1st Vice-President.
Hon. HIRAK A. TUTTLE, 2d Vice-President.

Bankers' Life Insurance Company OF THE CITY OF NEW YORK. RICHARD MORGAN, President. Home Office, No. 31 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the BANKERS' LIFE are simply business contracts for pure life insurance, and are free from objectionable clauses usually embodied in the policies of other companies.

For full particulars and terms to Agents, apply to
F. A. BAUMONT, Manager of Agencies.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1856.

Losses Paid over \$44,000,000.

Eastern and Southern Departments.

38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Hawling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, PRESIDENT.
CHAS. S. WHITNEY, VICE-PRESIDENT.
E. S. SAVAGE, 3D VICE-PRESIDENT.
JOHN NAPIER, SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN,
General Manager, London.

GEORGE WUNDE KINISCOTT,
Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 51 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG FIRE INSURANCE CO. OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLIVOTT, President Central Trust Co., New York.
FRIEDRICH THALMANN, of Landsburg, Thalmann & Co. Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Notman, Justice & Wyckoff, Counselors at Law, New York.

F. E. RASOR, Manager. AD. DONMEYER, Asst. Manager.

THE Lancashire Insurance Company OF MANCHESTER, ENGLAND.

55 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

January 1, 1896.
Assets, - - - - - \$2,807,856.04
Liabilities, - - - - - 1,507,514.70
Net Surplus, - - - - - \$770,041.34

Trustees in the United States.
DONALD HACKETT, Esq., of Vermillion & Co.
CORNELIUS S. BLISS, Esq., of Bliss, Fabraz & Co.
H. J. FAIRCHILD, Esq., of The H. B. Chubb Co.
EDWARD LITCHFIELD, Manager New York Office.
M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserves for insurance in force, etc.	4,218,188.37
Net surplus	5,684,516.78
Policy-holders' surplus	3,364,816.78
Gross assets	7,776,347.13

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York

F. G. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary.
R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.
Western Department, HEALY BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.



Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS,	\$82,405,529.08
SURPLUS,	5,594,186.16

The Penn is purely Mutual. Insurance is furnished at exact cost. Its feature—mortality, interest and expense—have all been highly favorable in this company. All policies are absolutely Non-Forfeitable for reserve value, the latter being applied to "Extension" or to "Term" as may be desired. Its policies are free from technicalities, and become Incomparable for any cause after Two years.

EDWARD M. NEEDLES, President.

HARRY F. WEST, Vice-President. JOHN W. BARRELL, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. H. HALLOWELL, Asst. Sec. & Treas.
JESSE J. BARKER, Actuary.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets,	\$232,141.03
Liabilities,	189,778.24
Surplus,	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK,

97-103 CEDAR STREET.

ASSETS	\$2,511,188.81
SURPLUS	\$46,170.68
LOSSES PAID	7,494,500.86

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust. Personal Accidents, Plate Glass, Furniture, Elevators, Employers', Landlords', and Tenants' Liabilities.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDWARD L. HAW, Asst. Sec.



London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK.

(A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$25,000.00
Reserve for fire and all other liabilities	\$4,375.47
Net surplus	\$77,181.68
Total assets	\$1,040,495.15
Losses paid since organization	\$,390,121.50

R. A. LOWENTHAL, President. AARON CARTER, Vice-President.
Wm. A. Francis, Secretary. H. W. KARR, Assistant Secretary.

1850.

1897.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

All Policies now issued by this company contain the following clause:
"After one year from the date of issue, the liability of the company under this policy shall not be disputed."
"This policy contains no restriction whatever upon the insured, in respect either of travel, residence or occupation."

All Death Claims paid WITHOUT DISCOUNT as soon as satisfactory proofs have been received.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE B. BURFORD, President.

C. F. FRAZER, Secretary. A. WHEELWRIGHT, Assistant Secy.
WM. T. STANNEN, Actuary. ARTHUR C. PERRY, Cashier.

JOHN F. MUNK, Manager. JAMES B. PLUM, Assistant Manager.

FINANCE COMMITTEE.

GEORGE O. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
S. H. FENKINS, JR., President Importers and Traders' National Bank.
JAMES B. PLUM, Leasing.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States.

COMPANY'S BUILDING, 54 FINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURFELL, Assistant Manager

A. W. THORBURN, Secretary

NORWOOD INSURANCE CO. OF NEW YORK.

Office, No. 19 Liberty Street.

STATEMENT, JANUARY 1, 1897.

Capital	\$300,000.00
Total cash assets	610,316.15
All liabilities, including reinsurance reserve	378,313.10
Net surplus	32,103.20

ANDREW J. AENSTRUNG, Sec.

GEORGE S. POHLE, Pres.

J. JAY NESTELL, Sec. Local Dept.

HENRY ADAMS, Jr., Vice-Pres.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital	\$1,000,000.00
Reserve for unexpired premiums	1,045,071.15
Reserve for losses under adjustment	61,903.42
Reserve for all other claims	20,500.00
Not surplus	1,132,680.57
Total assets	\$2,941,741.97

RUGO REHMANN, President.

FR. VON BERNUTH,

GEO. E. EDWARDS,

Vice-President.

CHAR. HUYKHUYSER, Secretary.

GUSTAV KRIEHL, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

Hon. GEORGE A. COX,

President.

J. J. KENNY,

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets	\$1,636,689.35
Surplus in United States	547,731.08

HANOVER FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE UNITED STATES.

The Palatine INSURANCE COMPANY

OF MANCHESTER, ENGLAND.



FOR FIRE INSURANCE.

Agents in United States,

New England.

\$7,951,844.71

\$729,455.86

Writing Large Lines on Insurable Risks.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM HILL, WILLIAM WOOD, Joint Managers.

WILLIAM M. BALLARD, Business Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?

SUBJECT TO THE
INVARIABLE MAINE NON-FORFEITURE LAW

And Contains All Up-to-date Features.

PLANS:

Tontine

Annual Divi-

dend or

Retractable

Term.

UNION MUTUAL LIFE Insurance Company.

Incorporated

1866.

Reliable

Agents

Always

Wanted.

PORTLAND, MAINE.

FRED F. BLANCHARD, President.

ARTHUR L. BATES, Vice-Pres.

Address either: [EDMOND D. MCNEIL, Supt., 119 American Trust Building,

[60 Nassau Street, N. Y. City]

[THORNTON CHASE, Supt., 40 Adams Street, Chicago, Ill.]

You need Exercise



"If business men knew
how much they need out-
door exercise there would
not be enough Columbia
bicycles to go 'round."

• COLUMBIA BICYCLES •

Standard of the World.
\$100 to all alike.

HARTFORDS, Next Best, \$60, \$55, \$50, \$45.

Catalogue free from Columbia
dealers; by mail free s-c. stamp.

POPE MFG. CO.,

HARTFORD, CONN.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.
KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1874

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1897.
Assets, - - - \$462,170.22
Capital and Net Surplus, - - - 318,975.77
Eugene H. Wadlow, - - - President
James B. Wadlow, - - - V. President
S. W. Burton, - - - Sec'y.
Chas. F. Faxon, Gen. Agent,
No. 124 La Salle St., Chicago.

NEW YORK UNDERWRITERS AGENCY

(INCORPORATED 1886)

Local Agents in all Prominent Localities in the United States.

Office: 100 William Street, New York.
A. & J. H. STODDART, General Agents.

THE

Manhattan Life

Insurance Company,

NEW YORK.

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company
OF NEW YORK

Cash Capital \$250,000. Incorporated 1852.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary

SURETY ON BONDS.
American Surety Co.,
 100 BROADWAY, NEW YORK.



Bonds Issued for Employers, Administrators,
 Guardians and in Judicial Proceedings.

W. L. TERRYHOLM, President.

HENRY B. LYMAN, Vice-President.

Resident's Offices, New York.

Wm. A. Wheeler,
 F. W. Vanderbilt,
 Cornelius N. Hild,
 F. B. Loring,
 Daniel G. Sullivan,
 Walter C. Johnson,
 Wm. Nelson O'Connell,
 Chauncey N. Deane,
 John F. Smith,
 E. F. Brunsing,
 Joseph F. Vetter,
 H. D. Lyman,
 Henry B. Ward,
 Wm. L. Trevelyan.

Henry B. Cook,
 Wm. B. Knapp,
 Wm. Bond,
 Ellis Bond,
 C. L. Tiffany,
 G. N. Taylor,
 Wm. A. Nash,
 Willis F. Stone,
 W. S. Garrison,
 James A. Hayden,
 John A. Ketchum,
 John A. McCall,
 Andrew Mills,
 Jas. Stillman.

CAPITAL, - - - \$7,500,000.

BONDSMEN SUPERSEDED.

Statement, December 31, 1896.

HOME OFFICE
 BUILDING,
 NEW YORK.

1860—1897.

United Firemen's Insurance Co.,
PHILADELPHIA.

Assets, January 1, 1897, - - - \$1,426,021
 Surplus to Policy Holders, - - - 502,568
 Capital, - - - 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life
 Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827
 Income, - - - 14,158,445
 Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
 AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well
 as Industrial business, and offering exceptional advantages to its
 Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA.

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

**Provident Savings Life
 Assurance Society**
 OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REPRESENTATIVE BUSINESS CONNECTIONS,
 MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
 Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
 Net Surplus, \$333,279.19.

The Guarantors
 LIABILITY-INDemnITY-COMPANY
 OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

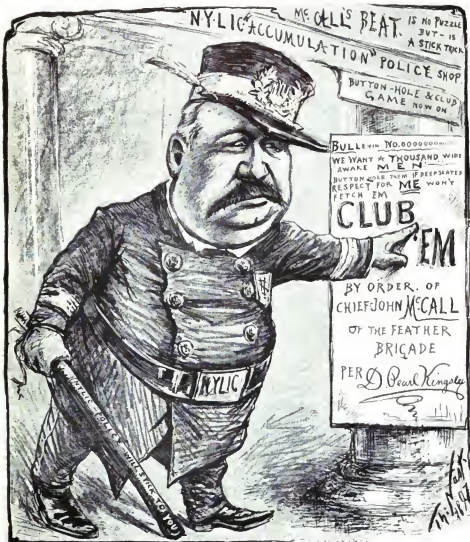
THE INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, AUGUST 2, 1897.

No. 17.



GET BUSINESS—
WITH A FEATHER IF YOU CAN, WITH A CLUB IF YOU MUST.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$2.00 per annum.

European Subscription (postage free), - - - 2 50 " "

Payable in Advance.

Single copies, - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - MANAGER.

JOHN S. HANSON, EDITOR.

WARLIKE.

Wars and rumors of wars are making the science of life underwriting put on a dismal countenance. Surface indications have long presaged a general scrimmage, and knives have been whetted, until now they are in prime condition to do the most perfect execution. Wise heads appreciate the awful consequences of a free-for-all devil-may-care muss and hesitate to wade in, but they are the ones who will prove stayers when they do get in and will come out of it with many scraps to their belts. It is yet possible, we can not say probable, that conservatism will rule the day, but the pull is the other way.

The Western Union's drive at rates on preferred risks in Illinois and Wisconsin has sent a cold chill down the spinals of the non-union managers, but the little game cock from Newark has let out a crow of defiance. Manager R. H. Garrigue of the Merchants' has spunk enough in his composition to furnish a whole menagerie, and he may make the elephants scream—with laughter. While there is fun in the situation, however, there is also gravity in it, and the problem of equalizing rates, that is of levelling down and levelling up, is a tough one, while agents' commissions also come in to make it still more crooked grained and knotty.

The reduction of rates on preferred risks would seem now to be a foregone conclusion. Companies which have made a specialty of that class of business have demonstrated that lower premiums can be made profitable. But taking the whole field, by and large, what the companies chip off at one point must be added on at another. And while it is easy enough to lower a rate, it is a ticklish thing to raise one. John Smith is willing enough to pay less for his insurance, but John Jones will kick hard against paying more because John Smith pays less. If premiums on preferred business are to come down the companies must look elsewhere for the means to recoup, and that is where the tug-of-war will come.

EXPERT ADVICE.

If a man's name be William Jones never address him as Mr. Jones. Always preferably call him "Billy." If his resentment of this familiarity is immoderate, call him "Jones," or "W. J."—*Surgeon.*

OUT WITH A CLUB.

A policeman's billy with a green string attachment is the latest in insurance literature. The New York Life Insurance Company is the pioneer in this new style of advising. The ponderous intellect of John A. McCall never sleeps. With his feather and his club he may win more of that "deep seated respect" which his son-in-law D. Pearl Kingsley takes pleasure in telling New York Life agents, in what catches the \$10,000 policies, and not the paltry "eloquence" of the agents. Great is McCall, ah!



NYLIC IN NO PUZZLE, BUT

THIN IN

IF YOU TAKE AN

Accumulation Policy

YOU WILL STICK TO IT.

If you think PUZZLE is worth stick

to, this is the way.

Copyright, 1897, by New York Life Insurance Co.

PAYN'S PRUSSIAN COMPOUND.

Superintendent Payn has gone through the force of hearing the petition of the Prussian fire insurance companies for admission to this State, and ended it by denying the application. No one appeared publicly to oppose the request of the companies, but the Superintendent decides against the plaintiff without any defence being put in. It was supposed by the uninformed that the Superintendent instituted the inquiry to ascertain all the facts in the case for himself, and not to be bound by any precedent involved in the action of his predecessor. It turns out, however, that he bases his refusal to admit the companies solely upon alleged facts which Superintendent Pierce had gathered or assumed.

Whether or not the life insurance companies which have been shut out of Prussia had a tip from the Superintendent before hand, does not and probably will not appear, at all events they did not find it necessary to expose their hands, and the defeat of the foreign companies is all the more galling to the latter because they were compelled to fight an unseen enemy. They have a right to feel that they have been humiliated. If no life insurance company excluded from Prussia has any grievance, against what offence is the Superintendent directing the Mosaic law of retaliation?

Why should he say that "the Prussian Government has discriminated against some of the largest and best insurance companies," if none of the companies, largest or smallest, best or worse, say so. If any have so declared, *ad hoc*, why did not the Superintendent make them come out in the open, and man fashion tell their grievance. If the Superintendent has any evidence to support his assertion, when, where and how did he get it? not at a public hearing, that is certain. On the other hand, evidence was presented to him that there was no such discrimination as he alleges, that the Prussian Government compels all companies, no matter where their *habitat*, which do a tontine business to make their reports so as to plainly show their liabilities on tontine policies. That is a requirement perfectly proper, and one which every Government should demand. That the Department of Insurance should champion the concealment of information from policy holders is a reflection upon itself, and that is the position it has assumed in this matter.

NOT SO EXCLUSIVE.

The account of an alleged "big deal" is published in the *United States Review*. The deal is an arrangement between the Eastern Mutual Life of Camden, N. J., and the "supreme executive board of the Supreme Council" of the American Protective Association known as the A. P. A., reported to have a membership of about 1,500,000. By it the *U. S. Review* says "the fortunate company" thus "secures the exclusive privilege of furnishing the insurance to the great membership of the famous order." Exclusive! Then if any A. P. A. dares to take insurance in another company are we to understand that he is to be incriminated? What would our contemporary be willing to pay for such an "exclusive" contract with a famous order of large membership, say the Methodist Church. If it would like to bid, Brother Lakey might get a contract from the General Conference that would fill the bill and another "big deal" be arranged.

By the way, the Asbury Life Insurance Company did have just such an exclusive contract with Methodists and died. The "big deal" simply amounts to this, if any A. P. A. cares to take out life insurance in the Eastern Mutual, and can pass the medical examination, the Eastern Mutual will write him, and presumably pay the officials of the A. P. A. a commission. Any other life insurance company can do the same.

A QUARTER-CENTURY'S FIRE UNDERWRITING.

A notable contribution to fire insurance literature is the "historical sketch" of the National Fire Insurance Company just published by that company under the title of "A Quarter-Century's Fire Underwriting." The book is a handsome volume of 164 pages, elegantly printed and bound. The history of the company itself is very interesting reading, while the many facts relating to fire underwriting generally, which are presented in this book, make it exceptionally valuable. The National Fire was chartered on June 4, 1869, but was not organized until November, 1871, just after the Chicago fire. It practically succeeded the Merchants' of Hartford, a company organized in 1857, and which had been operated very successfully until the Chicago fire wrecked it with many other companies. The National Fire was baptized with fire in the Boston conflagration of 1872, but since then it has enjoyed full measure of whatever prosperity wise underwriters have experienced. In 1887 Mr. James Nichols was made President, and under his able management the company has grown and prospered in the past ten years as never before in its history. The record of that ten years alone is one of marvellous achievement. The company is to be congratulated on its history, its management, and its splendid book.

THE ILLINOIS DIRECTORY.

A circular has been issued by Insurance Superintendent Van Cleave of Illinois, relative to the insurance directory which it was announced the Department was to issue. We have not seen the circular, but some of our contemporaries published what purported to be a copy of it. It says: "The insurance department of Illinois *and* its superintendent have no interests of any kind whatever in the directory advertised to be published by Henry W. Tiernan of Chicago."

The value of the denial depends upon the superintendent's knowledge of grammar.

FORTUNATE WITH AN IF.

After long and vexatious delay a decision, from which *fortuitously* there is no appeal, has been rendered in the action of Carney vs. the New York Life Insurance Company in favor of the latter on every point.—*The Insurance Advocate*.

The issues above are ours. We do not know whether Dr. Carney can or will appeal. If, however, the *Advocate's* law is as poor as we suspect it is, Dr. Carney ought to take the hint thrown out by the special pleader of the New York Life and file his appeal papers at the earliest possible moment. If it is *fortuitous* for the New York Life (and that is the only construction to be put upon the *Advocate's* utterance) that Dr. Carney cannot appeal, manifestly it will be unfortunate for the New York Life if Dr. Carney can and do appeal. We agree with the *Advocate*, hence if we were Dr. Carney we would get our case into the Court of Appeals if we could, and not let the company lodge the issue again, as it did in the Beers case.

TO COME EAST.

An army of western insurance superintendents is to descend like wolves on the fold of eastern insurance companies, if Mr. McNall of Kansas is not merely exercising his blow holes again. Information came to us some time ago that officials of several of the far western states were holding confabs for the purpose of arranging a campaign, so we are inclined to think that Mr. McNall is not merely bluffing. That gentleman is probably aware now that any examination he might make of an insurance company would be worthless to himself. He is already discredited. If he can get assistance from departments of other states he may be able to make trouble in the camp of his enemies. Otherwise he is powerless.

AMERICAN UNION LIFE.

Prosperity has evidently struck the life insurance business if we may judge from the statement issued by the American Union Life Insurance Company for the six months ended June 30, 1897. Compared with the corresponding half year in 1896 the income of the company increased 18 per cent., the business written 13 per cent., and insurance in force 12 per cent., while the disbursements decreased 29 per cent. The surplus to policy holders on June 30 was \$416,428, an increase over June 30, 1896, of \$10,002. The insurance in force on the same date was \$9,407,563, an increase of \$1,596,828. That is a very encouraging statement, indeed.

PROMPT REMITTANCES.

There are plenty of leaks in the fire insurance business, and not the least of them is the neglect to collect premiums promptly. Some people take advantage of the mistaken kindness of companies in this particular, but the credit which is supposed to be extended to the insured is as a rule appropriated by the agent, and the "uncollected premiums" are, in fact, unforgotten remittances. When the agent collects a premium he comes into the possession of trust funds, and any system which permits him to retain them and to use them for his own purpose is demoralizing. Every company should insist, first, that the premiums be paid by the insured when the policy is delivered to him, and next, that the agent remit promptly. Good morals and good business dictate such a policy. The efforts now being made by company managers to secure reform in this particular ought to be persisted in to the end.

A DEPARTMENT STORE ARTIST.

We think that the cartoon in last week's *INSURANCE OBSERVER* may possibly have been intended to be complimentary to Mr. John R. Hegeman, but if its purpose had been one of devilish malignity it could not have resulted in a more horrible caricature. McNall is made to look almost handsome by comparison with the cross-eyed fiend who tramples on him.—*Insurance.*

Too serious contemplation of decorated china in the "Department Stores" has warped the artistic tastes of Mr. Davis, an acknowledged expert in the æsthetic qualities and uses of domestic chinaware, stone china and pottery generally. We shall not ask him to "repudiate" his "Department Stores" arts, but if he should we have no doubt that he will have substantial reasons therefor.

MASSACHUSETTS BENEFIT.

By foes within and foes without the Massachusetts Benefit Life Association is being assailed, and President Rolker has need of all his courage to fight the combination of fools and schemers which is trying to wreck it. Everything now depends upon the result of the call for the extra assessment. Mr. Rolker has decided wisely, we think, under the circumstances, to accept payment of the assessment conditional upon a sufficient sum being realized to meet the needs of the association. What those who are fighting the assessment expect to gain is beyond the ken of human intelligence. There is a chance to save something, but only by keeping the association alive. Kill it, and the coroner's fees will eat up what assets there are.

AN INSURANCE NEWS BUREAU.

Barrelle's Press Clipping Bureau has instituted a daily service of insurance news somewhat after the plan followed by the financial news bureaus which supply news to the banking houses in Wall Street. The Barrelle bureau condenses the news obtained from exchanges and by telegraph, and sends it out in manifold. A number of insurance companies are taking the news, and the service promises to give general satisfaction.

RECEIVED WITH THANKS.

THE ASSUR, volumes 42 and 43, containing the issues of 1896, well bound and intelligently indexed. Much of the matter is valuable for reference and worthy of preservation.

Twenty-eighth annual report of the Auditor of State of Iowa, on insurance. Covers Life, Fire, Marine and Accident Insurance. Hon. C. G. McCarthy, Auditor.

Philadelphia, Pennsylvania, and Delaware Insurance Directory, Mr. J. H. C. Whiting, Publisher. Contains important and useful information, valuable to insurance companies and to everybody interested in insurance.

Twenty-fourth annual report of the Insurance Commissioner of Pennsylvania, Part I, Fire and Marine Insurance. Hon. James H. Lambert, Insurance Commissioner.

The Surveyor Insurance Directory of the States of New York and New Jersey, 1897. This is one of those useful publications whose value to insurance men is obvious, and the work of preparing which is almost incalculable. It seems to be as accurate as it is comprehensive.

HE GOT IT "CHEAP."

There were nearly twenty years difference in their ages, but a ten years' association in many business ventures in various quarters of the globe had developed a comradeship that levelled the barriers of reserve, which usually separate the man of thirty-five years and the man of nearly sixty.

Joseph Lockman, the younger, and James Brigman, the older, were "Joe" and "Jim" to each other, and their views usually agreed on any question which they had once thoroughly discussed together, even to the extent of going for free silver and plenty of it.

Joe dropped into Jim's office one sultry, lazy July afternoon, when only the flies and sweat glands were busy, just to have a quiet chat with his old friend.

They talked of old times and Joe told of the schemes that he had on the stocks, to be launched when wind and weather favored. He had piles of money to make, if all went well, and was making some now, but the future held the lode while the present was furnishing pay dirt in fair quantities.

Joe had recently bought a home in the suburbs costing \$6,000, paying one-half cash and giving a mortgage for the balance. He had been telling Jim about certain improvements he was making and then remarked, "By the way, Jim, I have been thinking about that mortgage. It is all right if I live, but if anything should happen to me I would feel easier if I knew my wife did not have that encumbrance over her head."

"I was talking with one of my new neighbors about it yesterday," he continued, "and he advised me to join the Royal Arcanum. He is one of the good mechanics in the order, and he said at my age it would cost me only \$1.68 an assessment, and there are only sixteen assessments a year, so I could carry \$3,000 insurance for \$26.88 a year. I believe there are lodge dues of \$4 a year, making \$30.88, or, say \$31 a year. I call that pretty cheap insurance. Don't you, Jim?"

"That depends."

"Why, what do you mean, Jim?"

"I mean this, Joe. It may be cheap or it may not, but it is not the cheapest."

"You don't mean to say that you can get life insurance cheaper than that, do you, Jim?"

Jim arose from his chair, walked over to his safe, took out a tin box and returned to his seat.

"Let me show you something."

Taking out a paper from the box he opened it out and remarked: "Here is a policy which I have been carrying in a regular life insurance company for nearly twenty years. By the way, I took it out just at your present age, 35. It is for \$5,000. Shall I tell you what it has cost me?"

"I would like to know."

"Well, the annual premium was \$35 per \$1,000; that makes \$175 per year for \$5,000, or \$3,500 for twenty years. It is a 20-payment life policy, so I have nothing more to pay after this year. I have received 10 dividends on that policy \$812, and at the end of this year I can go to the company and get \$2,632 cash for the policy. Can you figure what my \$5,000 insurance for twenty years has cost me, Joe?"

"You got \$812 cash dividends and can get \$2,632 more from the company?"

"Yes."

"That makes \$3,444."

"Yes, and all I paid was \$3,500. Now what is the difference?"

"I make it \$56."

"And that is exactly what it costs me for that policy of \$5,000. For \$3,000 the cost would be three-fifths of that amount or \$33.60. What do you think of that?"

"It seems incredible."

"It is an honest fact, nevertheless. Now let us see what your Royal Arcanum friend offers you. What did you say the assessments and dues would be a year, Joe?"

"Assessments \$26.88, dues \$4, making \$30.88; call it \$31 a year."

"No, call it what it is, and give them the best show we can. Well, \$30.88 for 20 years would be how much, you are quick at figures?"

"That would be \$617.60."

"Right. Now which is the cheaper, Royal Arcanum insurance, costing \$617.60, or the kind of insurance I am carrying, costing only \$33.60?"

"The question answers itself."

"Yes, and yet remember that the cost in the Royal Arcanum has been figured at the minimum. Should the assessments increase, and they are certain to do it, instead of 16 a year the number may increase to 26, or even 46."

"But, Jim, is it not a fact that the Royal Arcanum is cheaper in the earlier years than the regular insurance? So I have been told."

"A trifle, perhaps, but we will figure it out. My policy being for \$5,000, in order to make a comparison I must get the cost of a \$3,000 policy. It will take only a minute to do it."

Jim ciphered awhile and then handed his friend a slip on which the following figures appeared:

	Payment Paid.	Cash Dividends.	Cash Surrender Value.	Total Cash Returned.	Net Cost.	Cost in Royal Arcanum.
5 years ...	\$125	\$77	\$156	\$131	\$498	\$154.40
10 " ...	1,050	100	618	718	309	309.80
15 " ...	1,575	304	1,053	1,357	218	403.30
20 " ...	2,100	497	1,579	2,066	34	617.60

"I left out the cents on my policy," said Jim, "and that favors the Royal Arcanum a trifle. In the first five years you see the Royal Arcanum saves you \$37.60, that is if it sticks to 16 assessments a year, but there might be an increase in assessments sufficient to make your cake all dough. In ten years you would save \$42.80 by not going into the Royal Arcanum, in fifteen years \$24.80, and in twenty years \$83.60."

"I must confess, Jim, this is a revelation to me."

"That's all right, my boy, but let me revealate you some more. Here is another policy in another company. I have had it only ten years, and it was taken out when I was nine years older than when the first policy was issued. It is for age 44. Do you know what the assessment for that age is in the Royal Arcanum?"

"I think I have their rate table with me,—yes, here it is. Age 44, let me see, the assessment is \$2.46."

"That would make, 16 assessments a year, \$39.36, and the dues \$4, would make the cost \$43.36 a year, that is for \$3,000."

"Yes."

"This policy is for only \$1,000, it is a 20 payment life, and my annual premium is \$45. Dividends are paid only every five years. When the policy was five years old I got a dividend of \$15.70, which carried my policy for the sixth year. For six years I had \$1,000 insurance at a total cost of \$244.80, and the company offered to pay me \$137.12 cash for my policy,

making the \$1,000 insurance for six years cost only \$87.68. Now figure that for \$3,000."

"That makes \$263.04."

"Very well. Now what would it cost in the Royal Arcanum for six years at the same age, 44 years?"

"That would be six times \$43.36, or \$260.16."

"The Royal Arcanum would save you then \$2.88, if there were no increase in assessments, mind you, but I don't think you would care to take the chances for the sake of saving that much."

"Hardly."

"I will not get my ten year dividend until next June, but I understand that will be about \$65. Shall I figure out the cost up to date?"

"Sail ahead, Jim."

"My next dividend will more than carry my policy through the eleventh year. I will have paid in eleven years' premiums, 11 x \$45, \$495, less two cash dividends, \$45.20 and \$65, or \$110.20, or actual cash \$384.80. The company promises to give me for my policy, if I care to surrender it at the end of eleven years, \$287.41. That leaves the cost of my eleven years' insurance \$97.39. That is for \$1,000, for \$3,000 it would be \$292.17. Now give us the cost in the Royal Arcanum for 11 years."

"Eleven years at \$43.36 a year would be \$476.96."

"Just so, or \$184.79 more than in a first-class, absolutely solvent, regular life insurance company, which cannot make you pay a cent more than you have promised to pay. Now what do you think of the 'cheap insurance' the Royal Arcanum has to sell."

"Think? It isn't necessary to think. My Royal Arcanum neighbor won't work any mystic rights on me."

"Wait a minute, I have not explained it all to you yet. We have been considering only one point. Your idea was that you wanted insurance only while the success of your business ventures depended upon your living. Having won fortune you would have no need of life insurance."

"That was the idea, Jim."

"To carry out that idea, you are now probably convinced that the Royal Arcanum does not give you 'cheap insurance.'"

"I am certain it does not."

"Now let us take another view of the matter. Suppose you do not make your fortune. Suppose at the end of 20 years you are no better off than now, that \$3,000 plaster still sticking tenaciously to the roof beams of your house, your wife less able to support herself in the event of your death than now, and you yourself compelled to limit your expenditures to the demands of absolute necessity. How will it be then?"

"Go on, Jim."

"Suppose then you are in the Royal Arcanum, and the 'Order' has done the miraculous act of surviving 20 years. We have already figured that in the 20 years you will have paid \$617.60, on the basis of the present rate of assessments. I believe it would be nearer the truth to estimate the amount you will have to pay in at that time at \$1,200, or even more. Now what have you got?"

"Explain."

"All you have is the privilege of continuing to pay assessments. They may be \$30.88 a year; they are more likely to be five times that amount. Stop paying and your \$3,000 insurance is gone, there is nothing for your widow but a \$3,000

mortgage to wrestle with when you are dead. You understand that, don't you, Joe?"

"Yes."

"Now take either of my policies. I have nothing more to pay on my \$5,000 policy. If I don't care to sell it to the company for \$2,632 cash, I can let it stand as a perpetual claim for \$5,000 against the company, payable whenever I die, whether this year or twenty years from now. Not only have I nothing more to pay, but every year the company will have to pay me something. I don't know exactly how much; but any where from \$70 to \$300 a year, I calculate I will get."

"Is that possible?"

"Without a doubt. Your \$5,000 policy would be in the same position except that you would get only the proportionate dividend each year, say \$40 to \$50 a year. My other policy at the end of twenty years will produce similar results, but I have ten premiums to pay yet. Should I decide to stop paying, the company will give me a paid up policy for \$532, more than one half of the face of my present policy. For a \$5,000 policy you would get a paid up policy for \$1,564, which, at your death, would wipe out more than one-half of your mortgage anyway. Is that clear to you?"

"Quite so. I never saw it in that light before."

"I will not weary you with an explanation of the many other advantages which policies such as I carry possess over membership in an insurance society like the Royal Arcanum, but on the two points we have considered there is absolutely nothing to be said in favor of the Royal Arcanum. If you want insurance only until fortune has smiled upon you, a policy such as mine costs you less than you will have to pay in that order or in any other of what are called 'fraternal orders.' If you want insurance that will not vanish when you are no longer able to keep up your payments, you can get it by taking such a policy as I have, but you can not get it in the Royal Arcanum, even if you were to pay assessments for fifty years."

"If what you have is genuine insurance, Jim, it seems to me the Royal Arcanum article isn't insurance at all, but a sort of a lottery in which the few draw prizes and have to die soon to get them, while the great majority draw blanks and pay a high price for them."

"That is the size of it, Joe."

"I think, Jim, I'll let you propose me in one of those companies."

"Oh, that will not be necessary. Just write to the home office and there will be a man after you and it won't cost you a cent to join, a little item of expense in the Royal Arcanum which we neglected to figure on."

Joe is now carrying "cheap insurance" which will be getting cheaper the longer he carries it, and there isn't a day that he does not tell somebody what a "fool thing" he came near doing.

OBSERVATIONS.

The *Investigator* properly reminds the Insurance Department of Illinois that there is no need of its publishing an insurance directory; it is, the *Investigator*, publishes one itself.

The Receiver of the Cincinnati, New Orleans & Texas Railway has offered to pay 45 per cent. of the premiums on insurance taken out by employees of the railroad. That is a good thing for the men, but hardly a legitimate expense for a Receiver.

The United States Casualty Company reports an increase of about \$20,000 in its net surplus for the first half of 1897, bringing the total up to \$55,005. Its house cleaning has had most favorable results.

Short Ruler is a sprightly little paper published by the Pacific Department of the Pennsylvania Fire Insurance Company. Vol. 1, No. 2, has lots of practical advice administered in homeopathic doses, easy to take and effective in operation. *Short Ruler*, if it maintains its pace, will tighten the grip of the Pennsylvania Fire on the Pacific Coast.

Abraham Lincoln once received a letter asking for a "sentiment" and his autograph. He replied: "Dear Madam—When you ask of a stranger that which is of interest only to yourself, always enclose a stamp; there's your sentiment, and here's your autograph. A. Lincoln.—*Exchange*."

September 7th is the date for the Western Union meeting. What will happen before that time nobody dare predict. As it looks now, there will be a gathering of warriors with war paint an inch thick plastered all over them.

Jefferson Johnson is to succeed Insurance Commissioner A. J. Rose of Texas. Mr. Johnson goes into office on August 1st.

Commissioner Matthews of Ohio has at last revoked the license of the Globe Fire Insurance Company to do business in that state, from which we infer that the pill he swallowed did not agree with him.

A gentleman had left his corner seat in an already crowded railway car to go in search of something to eat, leaving a rug to reserve his seat. On returning he found that, in spite of the rug and the protests of his fellow passengers, the seat had been usurped by one in lady's garments. To his protestations her lofty reply was: "Do you know, sir, that I am one of the directors' wives?"

"Madam," he replied, "were you the director's only wife I should still protest."—*Pittsburg Dispatch*.

Wanda Noe: "What was the 'Light that Failed'?"

Punster: "Probably an Israelite."—*Brooklyn Life*.

Royal

INSURANCE COMPANY

(FIRE)

Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,

JANUARY 1, 1897.

Assets,	Is in the U. S. and the special deposit of its American Policy holders,	\$7,481,311.62
Liabilities,	- - -	\$1,266,654.72
Net Surplus,	- - -	\$2,354,656.90

Agencies in all the Principal Cities, Towns and Villages in the United States

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.

Bonds Issued for Employees, Administrators,
Guardians and in Judicial Proceedings.

W. L. THENROLD, President.

HENRI R. LUNAN, Vice-President.

NEW OFFICE
IN BUILDING
NEW YORK.

Resident Trustees, New York.

Wm. A. Whitlock,
F. W. Vanderbilt,
Charles N. Hays,
J. H. Lathrop,
Homer J. K. Allen,
Walter S. Johnson,
Wm. Nelson Townsend,
Henry M. Rogers,
John F. Scudder,
J. P. Henshaw,
Llew. F. Voth,
H. B. Lyman,
Henry B. Ford,
Wm. L. Truettman.

Henry B. Cook,
Wm. H. Keenell,
Wm. Bond,
Ellis Root,
C. L. Tiffin,
G. S. Judd,
Wm. A. Nash,
Wm. S. Fane,
W. S. Murray,
John A. Henshaw,
John J. McCord,
John A. McCull,
Andrew Mills,
Jos. Phillips.

CAPITAL. \$1,000,000.

BOARDSHIP SUPERSEDED.

Statement, December 31, 1896.

RESERVE FUND (including reserve, \$500,000) \$5,175,000.70
DEBITED (including reserve, \$50,000) 970,100.01

1860—1897.

United Firemen's Insurance Co.,
PHILADELPHIA.

Assets, January 1, 1897, - - - \$1,426,021
Surplus to Policy Holders, - - - 502,568
Capital, - - - 300,000

ROBERT H. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life
Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827
Income, - - - 14,158,445
Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well
as Industrial business, and offering exceptional advantages to its
Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA.

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Provident Savings Life
Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING RECOMMENDATIVE BUSINESS CONNECTIONS,
MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.

The Guarantors
LIABILITY-INDemnITY-COMPANY
OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager,

713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.
G. W. BABB, Jr., Manager.
T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Hawling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, President.
CHAS. S. WHITNEY, Vice-President.
E. S. SAVAGE, 3d Vice-President.
JOHN NAMIER, Secretary.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN, General Manager, London. GEORGE MUNROE ENDICOTT, Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany. TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG FIRE INSURANCE CO. OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK F. OLCOFF, President Central Trust Co., New York.
FRUNT THALKER, of London, Trustee & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Notman, Joline & Rynders, Commissioners at Law, New York.

F. E. RASOR, Manager. AD. DOHMEYER, Asst. Manager.

THE Lancashire Insurance Company OF MANCHESTER, ENGLAND.

95 Pine Street, New York.

General Manager, - - - DIGBY JOHNSON.

January 1, 1896.

Assets, - - - - - \$2,807,880.06
Liabilities, - - - - - 1,827,814.70
Net Surplus, - - - - - \$770,041.84

Trustees in the United States.

DONALD MACKEY, Esq., of Vermont & Co.
CORNELIUS N. HILSH, Esq., of Hiss, Feltman & Co.
H. J. FAIRCHILD, Esq., of The H. B. Chas. Co.
EDWARD LITCHFIELD, Manager New York Office.
M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserves for Insurance in force. etc.	4,915,108.37
Net surplus	5,564,316.76
Policyholders' surplus	5,564,316.76
Gross assets	7,776,347.13

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York

F. C. MOORE, President. HENRY EVANS, Vice-President.

EDWARD LANNING, Secretary.

R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.,
Weather Department, Healy Building, Chicago, Ill.

RESPONSIBLE AGENTS WANTED.

G. LEE STOUT, Pres't. THE J. R. MULLIN, Sec'y.

MERCHANTS' INSURANCE CO.

OF NEWARK, N.J.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GRAND ASSETS, - - - - -	\$20,405,120.00
SURPLUS, - - - - -	3,594,126.70

The Penn is purely Mutual. Insurance is furnished at exact cost. Its facilities—morality, interest and expense—have all been highly favorable in this company. All policies are absolutely Non-Forfeitable for reserve value; the latter being applied to "Extraordinary" or to "Paid-Up," as may be desired. Its policies are free from technicalities, and become incontestable for any cause after Two years.

EDWARD M. NEEDLES, President.

HARRY F. WEST, Vice-President. JOHN W. BAKER, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. C. LIPPINCOTT, Mgr. of Advertis.
JESSE J. BARKER, Actuary. H. B. HALLOWELL, Asst. Sec. & Treas.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets, - - - - -	\$232,141.03
Liabilities, - - - - -	189,778.24
Surplus, - - - - -	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$5,611,100.21
SURPLUS	540,178.00
LOSSES PAID	7,494,056.80

CASUALTY INSURANCE SPECIALTIES.

Books of Suretyship for persons in positions of trust.
Personal Accident, Fire (Ocean, Feller, Elevator,
Employers', Landlord's, and Common Carriers' Liability).

OFFICERS.

GEORGE F. REWARD, President.
ROBERT J. HELLAR, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK.

(A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$20,000.00
Insurance reserve and all other liabilities	3,675.00
Net surplus	\$77,100.00
Total assets	\$1,046,000.00
Losses paid since organization	\$,000,000.00

R. A. LOEWENTHAL, President. AARON CARTER, Vice-President.
Wm. A. FRANK, Secretary. H. W. EARLE, Assistant Secretary.

1850.

1897.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

All Policies now issued by this company contain the following clauses:
"After one year from the date of issue, the liability of the company under this policy shall not be disputed."
"This policy contains no restriction whatever upon the insured, in respect either of travel, residence or occupation."

All Death Claims paid WITHOUT DISCOUNT as soon as satisfactory proofs have been received.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.

C. F. FRAZEEH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANLEY, Actuary. ARTHUR C. PERRY, Cashier.
JOHN T. MUNN, Medical Director.

FINANCE COMMITTEE.

GEORGE O. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
E. R. PERKINS, Jr., President Importers' and Traders' National Bank.
JAMES H. PLUM, Leasing.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,

COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURTELL, Assistant Manager.

A. M. TIDWORTH, Secretary.

COMMERCIAL UNION ASSURANCE CO., (LIMITED), OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

GERMANIA FIRE INSURANCE CO., 62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Paid capital	\$1,000,000.00
Reserve for unexpired premiums	1,000,000.00
Reserve for losses under a guarantee	62,000.00
Reserve for all other claims	25,000.00
Net surplus	120,000.00
Total assets	\$2,981,700.00

HUGO SCHUBERT, President.

FR. VOIN JOHNSON, Vice President. CHAS. DUNHAM, Secretary.
GEORGE EDWARDS, Vice President. GUSTAV KEBE, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1881.

Hon. GEORGE A. COX,

President.

J. J. KENNY,

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets	\$1,636,689.95
Surplus in United States	547,731.08

HANOVER FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.

FOR FIRE INSURANCE.

Agents in United States: - - - - - \$7,831,848.71

Ref. Surplus

- - - - - \$75,425.84

Writing Large Lines on Insurable Business.

Applications for Agencies or Information should be addressed

To: Eastern and Mobile States:

WILLIAM HELL, WILLIAM WARD, JOINT MANAGERS.

WILLIAM M. RALLAID, Branch Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU
SEEN THE LATEST AND BEST POLICY?
SUBJECT TO THE
INVAULUABLE MAINE NON-FORFEITURE LAW
And Contains all Up-to-date Features.

PLANS:

Tenfold

Annual Divi-

dend or

Renewable

Term.

UNION MUTUAL LIFE Insurance Company.

Incorporated
1848.

Reliable

Agents

Always

Wanted.

PORTLAND, MAINE.

FRED F. RICHARDS, President.

ARTHUR L. BATES, Vice Pres.

Address either: 130 N. D. St., OFFICE, Rm. 110 American Trust Building,

1st Nassau Street, N. Y. City.

TIRRENTON CHASE, Supr., 40 Adams Street, Chicago, Ill.

Massachusetts Benefit Life Association OF BOSTON.

Statement of Business for 1896.

Policies written during 1896	10,543
Insurance applied for in 1896	\$17,906,956.00
Insurance written in 1896	14,900,790.00
Total assets	1,127,866.91
Amount paid in losses	2,082,086.80
Total amount paid in losses since organization	15,890,460.85
Insurance in force	\$6,967,600.00

JOHN HENRY BOLKER, President.

Hon. CARROLL D. WRIGHT, 1st Vice-President.

Hon. HIRAN A. TUTTLE, 2d Vice-President.

Bankers' Life Insurance Company OF THE CITY OF NEW YORK. RICHARD MORGAN, President. Home Office, No. 61 Nassau St.

The Whole Life and Five year Renewable Term Policies of the
BANKERS' LIFE are simply business contracts for pure life insur-
ance, and are free from objectionable clauses usually embodied
in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, Secretary,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$263,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company
OF NEW YORK.

Chartered 1874.

THE OLDEST NEW YORK COMPANY IN ITS LINE AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1897.
Assets, - - - \$462,179.22
Capital and Net Surplus, - - - 318,875.77

ELIJAH H. WILSON, - - - President
DAVID G. WINTER, - - - Vice-President
S. Wm. BROWN, - - - Sec'y.
CHAS. F. FOSCO, Gen. Agent,
No. 107 La Salle St., Chicago.

NEW YORK UNDERWRITERS AGENCY

(INCORPORATED 1864)

Local Agents in all Prominent Localities in the United States.

Office: 100 William Street, New York.
A. & J. H. STODDART, General Agents.

THE Manhattan Life Insurance Company, NEW YORK.

THE
WASHINGTON
Life Insurance Company
OF NEW YORK.

Assets, - - - \$14,000,000.

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS: E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1852.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS Secretary



MANAGER GARRIGUE FACES THE SITUATION.

THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

Vol. II.

NEW YORK, AUGUST 16, 1897.

No. 18.



YUNG-AN AFTER TAEIS AND PIGTAILS.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED WEEKLY BY

THE INSURANCE OBSERVER CO.,

41 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$2.00 per annum.
European Subscription (postage free), - - - 2.40 "

Payable in Advance.

Single copies, - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - MANAGER.

JOHN S. HANSON, EDITOR.

THE "YUNG-AN" IN CHINA.

United States Consul Sheridan P. Read, at Tien-tsin, China, makes the following report to the State Department at Washington:

Sir—I have the honor to call your attention to the fact that the Equitable Life Assurance Society of the United States has lately begun to insure Chinese, which is a departure in the right direction, as the Chinese higher classes and officials take readily to the endowment policies of this company as a safe means of making investments which cannot be touched and upon which "squeeze" cannot be levied. P. J. Grant, Esq., the representative of the Equitable, is now in Tien-tsin. I introduced Mr. Grant to the Taotai, who was much interested in the explanations of modern forms of life insurance.

Within a few days after his arrival Mr. Grant insured Chang Yen-Mow, the managing director of the Chinese Engineering and Mining Company, for taels 100,000 (\$73,000), and has written in other quarters taels 160,000 (\$116,800). Mr. Grant states that before the closing of the report for the winter he is confident of writing taels 1,500,000 (\$1,095,000) in Tien-tsin.

That China is a rich field for insurance is shown by the fact that with but intermittent canvassing for several months the Equitable has insured to the Chinese between 2,500 and 3,000 policies. The success of the Equitable in the Far East in insuring foreigners has been very marked, and is due to the ability of the general manager at Shanghai, J. T. Hamilton, Esq. I am, sir, your obedient servant.

SHERIDAN P. READ, United States Consul.

The Equitable is known as Yung-An in China and the company's manager is Ham-mi-tung. It is lucky for Ham that he has a strong company to represent, for the Chinese have a way of removing the heads of people who fail. We should like to see President Hyde's name in Chinese characters on one of Yung-An's policies. May he acquire many taels!

NOT FUNNY.

Insurance copies our reply to its criticism of one of our artistic productions and rejoins: "Evidently this was meant to be witty, and that makes it funny."

Editor Davis is evidently not a mind reader. We did not mean to be witty, but intended only to express our appreciation of the value of his opinions and criticisms—the marketable value.

ANONYMOUS DEFAMATION.

To some of those who are engaged in the business of life insurance it appears necessary at uncertain intervals to vary the monotony of approved respectable business methods by the vigorous circulation of defamatory literature. This is done, it may be, in an endeavor to convince the insuring public that those who are unfortunately their neighbors are thoroughly bad, and therefore that they, on the other hand, must be correspondingly good. Throwing stones has always been regarded as an evidence of virtue on the part of the thrower. We have received from a number of our policy holders, residing in different parts of the country, packages of circulars and leaflets containing the most absurd and ridiculous statements in reference to the conduct of the regular life insurance companies. Ordinarily we pay no attention to such documents. They refute themselves, and their influence for harm is practically nil. It would be interesting to know who has descended so low in the scale of business competition at a time when so much effort is being made successfully to raise the standard of excellence in the work and among the workers for sound life insurance. Such methods seem out of place at a time when good work at honest cost should be the inspiring thought of every organization that employs only gentlemen to solicit business, and which has not striven to be of the best, but to be the best, by the practice of true economy, and not its shadow. —*The Weekly Statement.*

It is despicable business, but seek the authors and it is one hundred to one that they will be found in the ranks of insurance journalists who pretend to represent "decent journalism."

THE PROFIT DISAPPEARED.

Eleven companies report their fire losses in Indiana during the first six months of 1897 at \$396,044, as compared with \$410,437 during the corresponding period of last year. So the companies are \$14,393 better off than they were last year. At least on the first blush it appears so. But there is another point to consider. The premium receipts this year were \$613,922, while last year they were \$628,950, showing a decrease of \$14,728. That wipes out the gain of \$14,393 from the reduced fire loss and leaves the companies \$335 worse off than last year. Whether this is due to lost business or to reduced premiums or both we do not know, but the results indicate the wisdom of waiting to measure the prosperity of the fire underwriting business in 1897 until other statistics besides those of the fire waste are all in. It is quite within the power of managers of companies to prevent any gain from reduced losses from fires showing in their balance sheets. It is only the wise who can stand prosperity.

FIDELITY & CASUALTY.

The Fidelity & Casualty Company has issued a financial statement for June 30, 1897, which shows that the first half of the present year has brought the company a goodly share of prosperity. The gross assets have increased from \$2,611,188 on December 31 last to \$2,790,237 on June 30, an increase of \$179,000 in six months, while the gain in the entire year 1896 was only \$163,000. The cash income for the six months was \$1,616,487, which is at the rate of about \$300,000 increase per annum as compared with 1896. The losses paid during the half year were \$617,915, comparing with \$1,103,373 for the full year 1896. The reinsurance reserve has increased from 1,414,323 on December 31 to \$1,513,788 on June 30. The amount of all losses paid to June 30, 1897, is \$8,112,466, an amount sufficiently large to indicate the usefulness as well as the magnitude of the operations of the company of which Mr. George F. Seward is the President.

MORE PEACEFUL.

The dissolution of the Boston Board of Fire Underwriters is postponed, whether indefinitely or not will depend upon the amount of good faith which shall be observed in the future operations of the agents in the board and the companies represented by them. If each company will observe the rule limiting the numbers of sub-agents in Boston to seven, will accept business from nobody else, and will maintain the uniform rate of commission at 20 per cent. and of brokerage at 15 per cent., all may be well. But signing an agreement will not prevent open hostilities; there must be reform in practices, or the knives, which have been whetted to Damascus keenness, will be used vigorously.

In the West there are some rifts in the clouds that darkened the situation, the non-union companies having agreed to maintain a uniform rate of commission of 15 per cent. This smoothes the way to a settlement of the trouble as far as the Western union is concerned. The proposition, however, to form a general organization of all the companies, union and non-union, doing business in the Western states, which will supersede the Western union, is one at which the latter may look askance. However, there is less of martial humidity in the atmosphere, and Achilles appears to have sheathed his glittering blade for the time being.

The non-union companies may congratulate themselves in any event. Having secured the 15 per cent. commission rate, they will save from 5 to 10 per cent., as they have been paying 20 to 25 per cent. for business. That they will be able to keep the bulk of the business already on their books there is little doubt, for in this case possession is a good nine points. They can therefore afford to be good, for virtue will pay prompt and handsome dividends in the shape of smaller commissions.

FIDELITY MUTUAL.

The semi-annual statement of the Fidelity Mutual Life Association shows total receipts from members during the six months ended June 30th of \$844,858, and from interest and rents \$25,076; total, \$869,974. The disbursements were for losses and payments to members \$317,461, and for expenses and all other payments \$385,874, a total of \$703,335. The balance, or net invested assets, on July 1st was \$1,845,798, as compared with \$1,658,554 on January 1st. President L. G. Fosse is making his association grow, as is evident not only in the receipts for the six months but also in the increase of insurance in force from \$67,418,955 to \$70,644,536 since January 1st.

UNCLE SAM IN IT NOW.

In the contest between Insurance Superintendent McCall of Kansas and the insurance companies, the latter are likely to slip out and the United States Government take their place. The Federal court having issued an injunction restraining the Kansas Superintendent and Attorney General from interfering with the Mutual Life's business in Kansas, and the Attorney General having instituted *quo warranto* proceedings in the Kansas Supreme Court to compel the Mutual Life to show by what authority it is doing business in Kansas, it is now the authority of the Federal courts which is in issue. In the case of Kansas *vs.* Uncle Sam, there is no doubt which party will win, and Messrs. Leddy, McCall, Boyle *et al.*, have only to prove obstreperous enough to find themselves in one of Uncle Sam's dungeons, while the G. O. M. will go on writing business in Kansas in the good old way.

YORK AVENUE and RICHMOND TERRACE OR RICHMOND TERRACE and YORK AVENUE, OR WHICH IS WHICH?

The New York Life Insurance Company in January last published a "Detailed Statement" purporting to give a list of all the real estate and bonds and mortgages owned by the company on December 31, 1896. Over a fac simile of the signature of "John A. McCall, President," appears the following introduction to the book containing such list:

The New York Life Insurance Company has leave to announce that it is the only life insurance company furnishing to its policy holders and the public the detailed information contained in the following pages of this pamphlet.

From the statement so flamboyantly introduced we take the following extracts to be found in Schedule B, giving a list of bonds and mortgages owned by the New York Life Insurance Company:

(Page 27.)			
LOCATION		AMOUNT OF MORTGAGES.	VALUE OF INSURANCE PROPERTY.
Richmnd Ter	S. W. cor. York Ave., New Brighton, N. Y.	\$15,000	\$32,000

(Page 38.)			
York Ave., S. W. cor. Richmond Terrace, New Brighton, N. Y.	16,000	32,000	

An examination of the records of the office of the Clerk of Richmond County, New York, shows that a mortgage for \$10,000, executed by William T. Van Vredenburg (unmarried), of the village of New Brighton, Richmond County, N. Y., to the New York Life Insurance Company, dated July 31, 1894, was recorded on August 1, 1894, in Liber 187 of Mortgages, page 206, et seq. This mortgage covered the following described premises:

All that certain plot, piece or parcel of land, together with the buildings thereon, erected, usual and lying and being at New Brighton, in the town of Castleton, county of Richmond, in the state of New York, and which is bounded and described as follows, to wit:

Beginning at a point formed by the intersection of the southerly side of Richmond Terrace with the westerly side of York Avenue, and running thence southerly along said westerly side of York Avenue 225 feet to the northerly side of First Street, thence running westerly and along said northerly side of First Street 100 feet, thence running northwesterly and on a line parallel with the first described course 225 feet to the southerly side of Richmond Terrace, and thence running easterly and along said southerly side of Richmond Terrace 100 feet to the westerly side of York Avenue at the point or place of beginning, be the said several distances and dimensions more or less, said premises being a part of block 5, as shown on a map of the property of the New Brighton Association on file in the office of the clerk of the said county of Richmond.

Again, a mortgage for \$15,000, executed by William T. Van Vredenburg (unmarried), of the village of New Brighton, Richmond County, N. Y., to the New York Life Insurance Company, dated October 9th, 1894, was recorded on October 10th, 1894, in Liber 188 of Mortgages, page 318. This mortgage conveyed the following described premises:

All that certain lot, piece or parcel of land, together with the buildings thereon, erected, usual and lying at New Brighton, in the town of Castleton, county of Richmond, in the state of New York, and which is bounded and described as follows, to wit:

Beginning at a point formed by the intersection of the southerly side of Richmond Terrace with the westerly side of York Avenue, and running thence southerly along said westerly side of York Avenue 225 feet to the northerly side of First Street, thence running westerly and along said northerly side of First Street 100 feet, thence running northwesterly and on a line parallel with the first described course 225 feet to the southerly side of Richmond Terrace, and thence running easterly and along said southerly side of Richmond Terrace 100 feet to the westerly side of York Avenue at the point or place of beginning, be the said several distances and dimensions more or less, said premises being a part of block 5, as shown on a map of the property of the New Brighton Association on file in the office of the clerk of the said county of Richmond.

The two mortgages above described cover exactly the same property, and are the only mortgages on that property on record in the Richmond County Clerk's office standing in the name of the New York Life Insurance Company. Neither of these mortgages has been satisfied of record.

Since the New York Life has undertaken the task of informing "its policy holders and the public" of the nature and character of its assets in detail, and Mr. John A. McCall has called attention to the fact that it is "the only life insurance company" which does it, it does not seem unreasonable to demand that the information which it does furnish shall be accurate and truthful. We therefore take the liberty of asking Mr. McCall—

First, is it true that the New York Life has loaned \$31,000 (\$15,000 and \$16,000 respectively) on a piece of property valued at only \$32,000, as the statement of the company sets forth?

Secondly, if such an excessive sum was actually loaned as alleged, was it because the mortgagor, William T. Van Vredenburgh, was and still is connected with the New York Life in an official capacity?

Thirdly, if the New York Life in fact did make a second loan of \$16,000 to William T. Van Vredenburgh on property on which it already held a mortgage of \$15,000, why has not the mortgage securing the \$16,000 loan been recorded in the Richmond County Clerk's Office, and thus made a legal lien on the mortgaged premises?

Fourthly, if the company did make two loans of \$15,000 and \$16,000, respectively, on the same property, why did it list those loans under two different descriptions of the property five pages apart? Was it in accord with that frank and open method of doing business claimed by Mr. McCall as his own only and original method, foreign to all other companies, that he described the same property first as "Richmond Ter., S. W. cor. York Ave., and next as "York Ave., S. W. cor. Richmond Terrace?" Did Mr. McCall foresee that the fact that the two descriptions applied to only one piece of property would not be discovered for eight months after the report was published, or have an idea that it might never be discovered?

Fifthly, if on the other hand, the records of the Richmond County Clerk's office are correct, and there are two mortgages of \$10,000 and \$15,000 only on the property described in the company's statement, what has become of the other \$6,000 which the company reports it has loaned on that property?

Sixthly, if the fact really is that the company has loaned Dr. Van Vredenburgh only \$16,000, how and for what reason has the company swelled its list of real estate loans by \$15,000, and who got the \$15,000?

Lastly, will Mr. John A. McCall take the "policy holders and the public" into his confidence and explain the entire transaction or series of transactions, or will he depend upon some truckling lackey to fire fifth and earn his distinguished consideration?

Miss Blanc: "Oh, Mr. Powers, can't you give us some subjects for our tableaux?"

Mr. Powers: "How would a scene from the 'Courtship of Miles Standish' do, or something from one of Shakespeare's—"

Miss Blanc: "Yes, but that would require costumes; we want something without costumes."

Mr. Powers: "Well, then, try the 'Birth of Venus' or the 'Temptation of Eve.'—*Broadway Life*."

MASSACHUSETTS BENEFIT LIFE.

The enemies of the Massachusetts Benefit Life Association, among whom are friends of the men who milked the cow nearly dry, are turning heaven and the other place over to bring about the dissolution of the association. It doesn't matter to them that thousands of people will be deprived of insurance and left powerless to obtain it anywhere, revenge is sweet and humanity is only a sentiment. We believe it was possible to save the association, but the strongest of financial institutions must fall when popular distrust assails their credit. Solvent concerns have gone into bankruptcy when confidence was withdrawn from them, and hence those who would undermine the credit of any institution, and have the determination to persist in their work, are fairly assured of success, no matter how villainous may be their purpose. If Mr. Rolker fail to overcome the enemy, it looks that way now, great wrong will be done innumerable people. Should the association be compelled to close its doors, the responsibility will be at the doors of those who used their grave trust to enrich themselves at the expense of those who had faith in them, and not upon Mr. Rolker or the present directors, who have done their utmost to maintain the existence of the association.

DRAINS ON FIRE UNDERWRITING.

There are many phases of fire underwriting management which are to be deplored, for they tend to the same end as the competition between the railroads, which has bankrupted innumerable companies and made the majority of railroad stocks absolutely unremunerative. The agent or the broker whose legitimate business is to solicit insurance is entitled to fair remuneration for his services, but there is a host of people who siphon from the companies a part of the premiums paid for insurance without having any just claim whatever. The clerk whose "boss" sends him to an insurance company to have written or renewed a policy knows how to get for himself a portion of the premium which his employer supposes is paid in full. Even the insured in many cases has learned how to get his insurance at less than the regular rates, either by a direct concession from the company or by a rebate from the agent or broker.

The injustice to the man who pays full rates is obvious, and the folly of it as far as the companies are concerned is equally apparent. The average man who gets his transportation or his insurance at less than the usual price is not likely to hide the fact under a bushel; he tells his neighbor and his casual acquaintance. The man who has paid no more than he should is disgruntled when he learns that somebody else has paid less than he should, and it does not take him long to decide that he will strike for similar concessions. If he cannot get them from his own company he can from the company who gave them to his informant. The agent or broker who does not divide his commission with the insured becomes the object of suspicion whenever his customer learns that other people are getting their insurance cheaper than he is, and there is dissatisfaction all around. Unfortunately the difference in the cost of insurance is not always due to differential charges of rival companies; not infrequently the same company charges its policy holders diverse premiums, and the result is to make enemies.

In one other particular there is something for fire underwriters to consider. A few companies have taken to writing very

large lines, and brokers are learning to their sorrow that the advantage thus offered them works to their disadvantage. When the broker with a line of \$100,000 to place brings to his customer ten policies in as many different companies, the insured takes the policies, and feeling that the broker has had to do a good deal of running around to place the insurance, pays the premium without begrudging the broker the commission which he knows he is to get. But when the broker shows up with only one policy for the entire amount, the insured thinks "that fellow earned his money pretty easily, it is no more trouble for him to place \$100,000 than it is to place \$10,000. I don't see why I should pay him ten times as much for my policy as he would get for a policy for the smaller amount." Then he speculates on how much he could save by doing business direct with the company or some other company, or by beating down the broker or finding another broker who will share his commission. So here is another incentive offered to the insuring public to get their insurance cheaper. The broker is the principal sufferer here, and it all arises from the fact that he makes it appear to his customer that he is getting too well paid for the time and work that he devotes to the business. Of course the broker may get the policies of a dozen different companies almost as easily as he can get a policy from a single company; there are fire insurance agencies which can supply quite a variety of policies, but the people who insure do not generally know this fact, and a lot of policies issued on one risk is presumptive evidence that the broker must have done much hustling, and therefore earned his money. Here is a hint which brokers who have the chance to write big lines can take or leave alone at their pleasure.

POOR (?) KANSAS.

But for his perversity for bungling, Insurance Superintendent McNall would be a far more dangerous man than he is. It takes some brains even to run amuck, but Mr. McNall is making his mad run apparently without a single glimmer of intelligence. Adventurers before now, and even now, have found vital spots in insurance organism at which to strike with some effect, but Mr. McNall clubs at the air and hits his own shins. It was insane folly for him to interpose as defender of one of the most notorious frauds ever attempted against life insurance. His effort to compel the payment of the Hilmon claim was prompted by the ravings of a mad zealot. His attack upon the Metropolitan Life Insurance Company was indefensible, and his descent upon the Merchants' of Newark was ludicrous. Every move he has made has been to checkmate himself and has ended in discrediting his sanity.

His latest foraging expedition is the acme of absurdity. At his instigation, Kansas dispatches say that an investigation is being made of the actual value of property in Kansas upon which Eastern insurance companies have made loans. Mr. McNall is reported as expressing the belief that the security for many of the loans made in Kansas by the insurance companies is not worth one-fourth the amount of the loan. This is said to have been brought about by the great shrinkage in real estate values since the loans were made. It is also claimed by the superintendent that he has examined property in one county in Kansas on which insurance companies hold mortgages amounting to \$30,000, and he finds that the property is not worth more than \$5,000.

Were the statements of Mr. McNall absolutely true, it might occur to him were he inclined to do justice at all, that the insurance companies which had so liberally loaned their money to Kansas borrowers were entitled to lenient consideration, in view of the unfortunate plight in which their loans have left them. But it is a case of damned if you do and damned if you don't with the companies, as Mr. McNall views it. If they "take money out" of Kansas and refuse to lend it in the state McNall's anathema follows them; if they lend the money to Kansas borrowers and get stuck still the anathema pursues them. Fortunately for the companies, what Mr. McNall knows is not so, and there is high authority for questioning his veracity on this point. The following statement recently made by the State Bank Commissioner of Kansas, Mr. John W. Breidenthal, effectually exposes the fallacy of State Insurance Superintendent McNall's wild imaginings:

"Kansas is the only State in the Union that is doing business on a strictly cash basis. Our people have reached a point where they can pay as they go, unless some great calamity should occur. They have adjusted their business to 30-cent wheat and 10-cent corn, and they can, and will, do business on that as a permanent basis. If corn sells for 20 cents and wheat for 60, they will have the increase as a surplus outside of their business demands.

"There has been a gradual decreasing of debt that would astonish you. The farmers especially have been paying off their obligations at a great rate. Kansas, of course, is still in debt, but the heavy burdens are on town property. Boom real estate debt is the principal source of annoyance to investors. Town lots were boomed so high that their values were unreasonable, and the loans made on them were senseless.

"A great cry has been raised against the farmers of Kansas, and they were called repudiators at a time when they were making heroic efforts—unparalleled by any other people—to pay their obligations. I venture to say that there is no State in the Union, none at least west of the Allegheny mountains, having less farm indebtedness, compared with acreage and other similar circumstances, than Kansas.

"The achievements of the farmers in getting out of debt should not be credited to what is known as McKinley prosperity or any other man's prosperity. The credit for their success along this line is due to their own efforts. They have denied themselves and their families everything but the bare necessities of life and have worked night and day to get rid of the burden of debt that has oppressed them.

"They have lifted the mortgage and burned it in spite of the adverse legislation and unjust discriminations on the part of those who run the Government and shape its policies.

"If I understand the spirit of the people of Kansas, they do not want to borrow again.

"They are very serious in their determination to do business on a cash basis. I predict that inside of two years a loan on Kansas farm property will be the most desirable loan on the market, and that Kansas securities (I mean on legitimate dealings), will be at par and at a premium everywhere."

That these views of the Bank Commissioner are very conservative, recent developments abundantly prove. An Oberlin (Kansas) dispatch dated August 13, reports wheat selling at 53 cents a bushel and the price still climbing. Kansas has 40,000,000 bushels of wheat this year, and will realize thereon from \$20,000,000 to \$30,000,000. The dispatch, which appears in the New York *San*, says: "Men who have been in debt for years and have been held down by repeated failures will this year clear their farms of debt, pay every cent they owe and place a nest sum in the bank for next year. More mortgages will be paid off in Kansas, Oklahoma and Nebraska this year than for many a season. A transformation seems to have taken place."

As a sample of the sentiment which now pervades Kansas outside of the moribund fanatics who are yet unaware of their outlived usefulness, we quote the conclusion of the dispatch as follows:

"Talk of the gold of the Klondike country," said one farmer yesterday, "and then look at the gold of Kansas! Klondike is not in it, as the slang phrase puts it. There will be at least 95,000,000 bushels of wheat in Kansas, Nebraska, and Oklahoma. Figure it. At 50 cents that represents more than \$47,000,000. At 75 cents, which is about what it will sell for if it is held a short time, the wheat crop of this section I have named will amount to \$74,250,000! Don't that beat Klondike all hollow? I'm a Kansas man, and I'm hurrahing for Kansas, you bet!" And that seems to be the sentiment of many others.

Under the burning sun of prosperity, the McNalls *et al*, products of darkness and of the miasmatic swamps, will wither and pass away.

RECEIVED WITH THANKS.

The Standard Insurance Directory, covering Boston, Massachusetts and New England, published by the Standard Publishing Company of Boston. Each year this standard reference book becomes more valuable and more elaborate. In its preparation the same care to secure accuracy has evidently been employed, as is observable in all the work done under the supervision of Col. C. M. Ransom.

OBSERVATIONS.

Life insurance companies have properly declined to accept risks on the lives of Klondike adventurers. They might better take chances on pest house patients. But what a beautiful scheme was hatched when a company was organized to send prospectors to the Klondike gold regions to work on shares and insure their lives, so that live or die the company would be a winner. But insurance companies are not fools.

Isaac: "Haf a cigar, Cohen?"

Cohen: "Vat's der madder mit it?"—*Truth*.

The American Union Life Insurance Company announces that it received applications during July, 1897, amounting to \$1,838,000, which is three times as large a business as the company received in the same month of last year. The outstanding insurance was increased during July by over \$500,000.

Isaacstein: "Dot vas a queer t'ing vot happened to Rosenbaum's shore. Dere vas a purgury undt a shmall fire in de same nighd."

Cohenstein: "Yes; Rosenbaum toldt me dot he came ondt schocht even."—*Puck*.

Three mutual fire insurance companies in Saginaw, Mich., with combined cash assets of \$175, have "insured" several million dollars worth of property and owe \$20,000 for unpaid losses. The figures are official, and the value of "cheap insurance" is again in evidence. Gold brick insurance has its attractions for lots of people.

"Where have you been until this time o' night?"

"Can't you see? Been minin'."

"Minin'?"

"Yes. Prospectin' for a lode!"—*Cleveland (Ohio) Plaindealer*.

There was a concern in Patchogue,
Which fire insurance tried to hogue,
Its assets were principally fogue,
And now it is deep in the bogue.

The *Journal of Commerce* reports the fire loss in the United States and Canada in July at \$6,526,303, as compared with over \$9,000,000 in the corresponding month last year. For the seven months ended July 31, the loss was \$61,566,750, as compared with \$72,998,800 in 1896 and \$75,584,800 in 1895. There is prosperity for fire underwriting in these figures, provided the companies are getting the premiums they should, and are not paying commissions they should not.

The Captain (boisterously): "Come, old man, brace up! What's got into you?"

Passenger: "If you don't put me ashore you'll very soon see."—*Lyft*.

A suicide in Newark, N. J., left this written communication behind him: "To whom it may concern: I am tired of life, and want to die, this is my reason for killing myself. There's an insurance on my life, enough to pay for my burial." Do insurance companies like to pay for that sort of thing?

Waiting until appendicitis catches you before paying for your life insurance and then dying two days after, is likely to be embarrassing for your intended beneficiaries. The United States Court has so decided in the case of McElroy against the Equitable Life Assurance Society. Selling gold bricks to insurance companies is not lawful.

"We know the president of a life insurance company in this city who has comfortably signed five thousand letters in between five and six hours, the average being about nine hundred an hour."—*Insurance Fraud*.

Tell us who he is; our special artist would like to hand him down to immortal fame.

The directors of the Provident Savings Life Assurance Society have elected Mr. Caleb E. Tillinghast, of Cleveland, O., Vice-President. Mr. Tillinghast has held important positions with the New York Life, the Equitable and the Manhattan Life insurance companies, and has been a very successful business getter.

Eastward McNall of Kansas wends his way. He has got as far as Philadelphia, and if the mad whirl of that town does not act as a counter-irritant upon his eruptive wits, he may yet reach the village of New York. And then, Mr. McNall, look out that somebody does not steal you.


Royal INSURANCE COMPANY
(FIRE)
Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,

JANUARY 1, 1897.

Assets, { held in the U. S. for the special pro- tection of an American Policy Holders, }	\$7,481,311.62
Liabilities, - - -	5,126,654.72
Net Surplus, - - -	\$2,354,656.90

Agencies in all the Principal Cities, Towns and Villages in the United States.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible and Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.
C. W. BABB, Jr., Manager.
T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING,	E. S. SAVAGE,
PRESIDENT.	2D VICE-PRESIDENT.
CHAS. S. WHITNEY,	JOHN NAPIER,
VICE-PRESIDENT.	SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co.,

(LIMITED),

OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN, GEORGE MUNRO ENDICOTT,
General Manager, London. Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. GILCOTT, President Central Trust Co., New York,
ERNST THALMANN, of Lachenburg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Rotman, Johns & Myerson, Coun-
sellors at Law, New York.

F. E. HANDB, Manager. AD. DOHNMEYER, Asst. Manager.

THE Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

Assets, - - -	January 1, 1896.	\$2,007,890.04
Liabilities, - - -		1,897,814.70
Net Surplus, - - -		\$770,041.34

Trustees in the United States.

DONALD MACKEY, Esq., of Vermilye & Co.
CORNELIUS N. HENR, Esq., of Hiss, Folsom & Co.
R. J. FAIRCHILD, Esq., of The R. J. Claflin Co.
EDWARD LITCHFIELD, Manager New York Office.
M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	91,000,000.00
Reserves for Insurance in Force, etc.	4,715,196.37
Net surplus	5,364,916.70
Policy-holders' surplus	5,364,916.70
Gross assets	7,776,547.13

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.

EDWARD LANNING, Secretary.

R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.,
Warren Department, REALTY BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

G. LEE STOUT, Presr. J. B. MULLIKIN, Secy.

THE MERCHANTS' INSURANCE CO.

OF NEWARK, N.J.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS, - - - - - \$28,403,529.99
SURPLUS, - - - - - 5,584,126.10

The Penn is purely MUTUAL Insurance is furnished at exact cost. Its facilities—morality, interest and expense—have all been highly favorable to the company. All policies are absolutely NON-FORFEITABLE for reserve value, the latter being applied to "Extinction" or to "Paid-up," as may be desired. Its policies are free from technicalities, and become INCORPORATED for any cause after Two years.

HARRY F. WEST, President.

GEORGE K. JOHNSON, Vice-Pres. JOHN W. HARKER, Mgr. Loss Dept.
HENRY C. BROWN, Sec. and Treas. H. C. LIPPINCOTT, Mgr. of Agencies.
JESSE J. BARKER, Actuary. H. B. HALLGREN, Asst. Sec. & Treas.

COMMENCED BUSINESS IN APRIL, 1882.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1896.

Assets, - - - - -	\$232,141.03
Liabilities, - - - - -	189,778.24
Surplus, - - - - -	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK,

97-103 CEDAR STREET.



ASSETS	\$7,013,184.81
SURPLUS	\$60,179.96
LOSSER PAID	7,484,538.86

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust.
Personal Accidents, Plane (Globe) Riders, Elevator
Employees', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK.

(A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$25,000.00
Insurance reserve and all other liabilities	\$6,879.47
Net surplus	\$7,919.46
Total assets	\$1,004,455.15
Losses paid since organization	6,890,921.80

R. A. LOEWENTHAL, President. SARON CARTER, Vice-President.
W. B. FRANKS, Secretary. H. W. EAST, Assistant Secretary.

1850.

1897.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

All Policies now issued by this company contain the following clause:

"After one year from the date of issue, the liability of the company under this policy shall not be disputed."

"This policy contains no restriction whatever upon the insured, in respect either of travel, residence or occupation."

All Death Claims paid WITHOUT DISCOUNT as soon as satisfactory proofs have been received.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the
HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
C. F. FRANKLIN, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANDEN, Actuary. ARTHUR C. FRANK, Cashier.
JOHN F. MUNN, Regional Director.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
E. H. PARKER, Jr., President Importers' and Traders' National Bank.
JAMES H. PLUM, Lawyer.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States.

COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. PURCELL, Assistant Manager.

A. M. THORBURN, Secretary.

COMMERCIAL UNION

ASSURANCE CO.,

(LIMITED)

OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

GERMANIA

FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Paid capital	\$1,000,000.00
Reserve for unexpired premiums	1,314,073.94
Reserve for losses under adjustment	67,000.00
Reserve for all other claims	85,500.00
Net surplus	1,466,573.94

Total assets.....\$2,841,751.27

HUGO REHMANN, President.

FR. VON BERNUTH, Vice-President. CHAS. RUYKHAYER, Secretary.
GEO. E. EDWARDS, Vice-President. GUSTAV KÖHR, Assistant Sec'y.

WESTERN

ASSURANCE COMPANY.

Head Office, - - - TORONTO, CANADA.

Incorporated 1851.

HON. GEORGE A. COX, J. J. KENNY,
President. Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - \$1,636,689.35
Surplus in United States, - - - 547,731.08

HANOVER

FIRE INSURANCE CO.,

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.

FOR FIRE INSURANCE.

Assets in United States, - - - - \$7,801,244.71
Net Surplus, - - - - 906,455.84

Writing Large Lines on Desirable Locations.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM DELL, WILLIAM WOOD, JOHN MARSHALL.

WILLIAM M. HOLLAND, Branch Secretary.
21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?

SUBJECT TO THE
INVALUABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS:

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Annual Divi-

dend or

Receivable

Term.

UNION

MUTUAL

LIFE

Incorporated
1855.Reliable
Agents
Always
Wanted.Insurance
Company,
PORTLAND, MAINE.

FRED F. RICHARDS, President.

ARTHUR L. BATES, Vice-Pres.

Address either: (ELBORN IS. BOUFFIELD, Supr., 1110 American Trust Building,
16 Nassau Street, N. Y. City.
THORNTON CHASE, Supr., 14 Adams Street, Chicago, Ill.

Massachusetts Benefit Life Association

OF BOSTON.

Statement of Business for 1896.

Policies written during 1896	16,545
Insurance applied for in 1896	\$17,506,000.00
Insurance written in 1896	14,900,720.00
Total assets	1,127,088.91
Amount paid in losses	8,035,000.00
Total amount paid in losses since organization	13,890,480.86
Insurance in force	94,967,600.00

JOHN HENRY BOLKER, President.

HON. CARROLL D. WRIGHT, 1st Vice-President.

HON. HIRSH A. TUTTLE, 2d Vice-President.

Bankers' Life Insurance Company

OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.

Home Office, No. 31 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the
BANKERS' LIFE are simply business contracts for pure life insur-
ance, and are free from objectionable clauses usually embodied
in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1874.

THE OLDEST NEW YORK COM-
PANY IN ITS LINE AND THE
ONE HAVING THE LARGEST
NET SURPLUS

January 1, 1897.

Assets, \$402,179.22
Capital and Net
Surplus, \$116,874.77

Executives: H. W. WOODS, President;
D. B. HALSTEAD, Vice-President;
S. W. CHAMBERS, Secretary;
C. E. W. CHAMBERS, General Agent.
New York: 104 La Salle St.,
Chicago: 104 La Salle St.,
Cincinnati: 104 La Salle St.,

NEW YORK UNDERWRITERS AGENCY

(INCORPORATED)

ESTABLISHED 1866.

Local Agents in all Prominent Localities in the
United States.

Office: 100 William Street, New York.
A. & J. H. STODART, General Agents.

THE Manhattan Life Insurance Company,

NEW YORK.

THE WASHINGTON Life Insurance Company OF NEW YORK.

Assets, - - - \$14,000,000

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

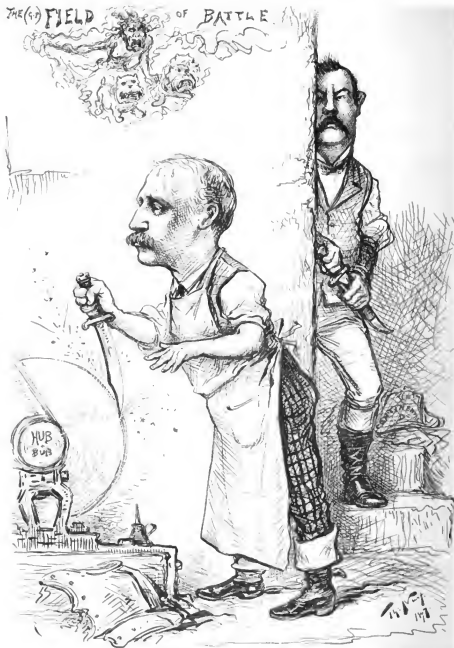
LLOYD'S
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary.



READY FOR WAR OR PEACE.

THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, SEPTEMBER 1, 1897.

No. 19.



JACK IN A BOX.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED WEEKLY BY

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Per Annum in Advance.

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JOHN S. HANSON, EDITOR.

WHAT WAS THE PRICE?

The Massachusetts Benefit Life Association is *in extremis*, and the services of the coroner have been invoked. It is likely that for some years to come the courts will be busy with the inquest and the obsequies. Messrs. A. S. Woodworth, President of the Eagle National Bank of Boston, and Arthur Lord, a prominent lawyer of that city, have been appointed receivers, and their task will be a laborious and trying one. The lot of the policy holders has been lamentable, and their last condition is no better than their first.

It is very kind of President Rolke indeed to attempt to steer the Massachusetts Benefit policy holders into the New York Life Insurance Company, and perhaps unselfish. But the policy holders, if they will use their own faculties, will decline to be pitchforked into any company, no matter how loud its pretensions of liberality. Let them first inquire into the secret of the recommendation which the President and the Committee of the Association has made, and let the Receiver also take a hand in it.

Any insurance man will testify that a list of 46,000 policy holders, nominally insured for \$93,000,000, is a valuable asset for which almost any company would pay a handsome price either out and out, or contingent upon the amount of insurance it could write on the lives of those members. The transfer of the list of policy holders of the Massachusetts Benefit to the New York Life Insurance Company conveyed one of the most valuable assets left to the Massachusetts Benefit Association. It is not presumable that the list was delivered without some consideration, in fact, the *Steward* says, "It is understood that an additional commission is paid to the management of the Massachusetts Benefit Association for its part in placing the contract before the certificate holders." A more correct version of the matter would probably be "for its part in delivering the list of policy holders to the New York Life Insurance Company." But what right has the management to any commission in this case? It had nothing to sell that did not belong absolutely to the policy holders of the Association, and every dollar that it has received or is to receive on account of giving the New York Life the inside track in reinsuring the

Massachusetts Benefit members belongs to the latter, or, rather, to the creditors of the Association. The Receiver should at once take such steps as will secure the Association in its rights. The debts of the Association will probably approximate close upon one million dollars. It is not probable that the death claims will be paid even at the rate of 50 cents on the dollar. Why should any official of the Association be permitted to put money in his own pocket by the sale of property belonging to the Association?

BACK IN HIS BOX.

Attorney-General Hancock has hanged the lid on the box and P. B. Armstrong is under it. The latter gentleman has made things lively for the Mutual Fire ever since his escape from the Pacific Coast. He has had the company examined with the result of establishing the fact that the company has a surplus of \$174,000, not as large as the management claimed, but large enough to assure the solvency of the company. He charged extravagance in the matter of expenditures, but the Attorney-General says the charge is not sustained. Finally the application of Mr. Armstrong for the commencement of an action to remove the officers of the company is denied, partly for the reasons above given and partly because Mr. Armstrong has no substantial pecuniary interest in the company. Exit Mr. P. B. Armstrong L. U. E.

SURE OF THEIR REWARD.

"Entered the employ of the company as agent —; appointed superintendent —," This is the epitome of the record of a great majority of the leaders who are doing the field work of the Prudential Life Insurance Company. In recent numbers of the *Prudential Weekly Record* has appeared an historical review—not yet completed—of the "Divisions" of this great company's service, and the records of the men who have charge of the divisions and districts. With few exceptions these men have started from the lowest round of the ladder, and in most cases in from three to five years have reached their present positions. Here unquestionably is the secret of the great efficiency of the Prudential's corps of business getters. Practical experience counts for a great deal in the management of any business, and workers at the top insure workers at the bottom. Then the appreciation of faithful service which rapid promotion surely indicates is an incentive to the ambitious. Were nepotism and favoritism rife in the management of the Prudential, there would be less of energy and fidelity in the ranks of the company's workers; but with merit alone the passport to advancement, every Prudential employee has the assurance of winning the success which he deserves, and is encouraged to put forth his best effort. This policy of the company is one of which both it and its workers are equal beneficiaries. It is a just policy and a wise one.

FIRE UNDERWRITERS' CONVENTION.

The twenty-eighth annual meeting of the Fire Underwriters' Association of the Northwest will be held at the Auditorium Hotel, Chicago, on September 29 and 30. The invitations, handsomely engraved, have been issued, and President George H. Moore is doing all in his power to make the meeting a memorable one. An excellent programme has been arranged. A banquet on the evening of September 30 will be the grand finale.

NO LAW AGAINST RATE CUTTING.

The insurance commissioners of two adjoining states take opposite positions on the question of the duty of a commissioner to interfere to prevent a war of rates between the fire insurance companies. The law is undoubtedly with the commissioner of Minnesota, although we cannot but confess to a sympathy with the purpose of the commissioner of Wisconsin. The latter certainly has discovered a solvent remedy for rate cutting, if he could only apply it. If a company voluntarily cuts down its premiums so as to invite insolvency there ought to be some way to have the fact legally determined in time to save the public from loss. We know of no better way to do this than that suggested by the commissioner of Wisconsin, to compel the companies to figure their reinsurance liability on the basis of the premiums they should have charged instead of the premiums they actually did charge. If a company writes business for less than it can reinsure the same business, it follows that in case of the dissolution of the company the chance would be that the policy holders would be losers.

Still the Minnesota commissioner has the law on his side, and neither in Minnesota nor Wisconsin, nor in any other state as far as we know, is there any law which will permit an insurance department to interfere in the matter.

WELL TO GO LOW.

Mr. F. Albert Reed of the New York Board of Fire Underwriters, in his reply to President Sheffield of the Board of New York Fire Commissioners on the subject of lower fire insurance rates, states one important fact that every underwriter should keep well in the foreground of his mental calculations. He says: "The insurance company that argues from a favorable experience of three years that conflagration probabilities are necessarily eliminated, and acts too soon upon such conclusion, will find itself unable to protect its policy holders when a catastrophe occurs." While it is true that only a small proportion of insured risks burn, and fire insurance companies are generally fully able to meet any demand which ordinarily will be made upon them for losses, nevertheless it would require only a very small proportion of the risks they have insured to become loss claims to drive all of them into insolvency. From the New York insurance report we obtain the following summary of assets and risks in force on December 31, 1896, of companies doing business in this state:

1896, of companies doing business in this state :			Percentage Assets to Risks in force.
	Assets.	Risks in force.	
New York joint stock companies	\$71,676,737	\$5,411,362,755	1.32
New York mutual companies	3,885,438	106,714,743	3.64
Joint stock companies, other states	122,379,341	6,779,244,501	5.52
Mutual companies, other states	563,060	40,611,149	1.37
Foreign companies, U. S. branches	63,087,360	5,012,188,044	1.07
	\$261,602,536	\$18,236,140,779	1.43

A loss of less than 1 1/2 per cent. of all the risks in force would be sufficient to wipe out all the assets of the above companies. This is no more likely to occur than for the whole world to be burned up to-morrow, yet a conflagration such as is quite within the range of possibilities might easily put a great many companies in stress. The actual losses last year were only from about 3/5 to 1/2 of 1 per cent. of the total at risk, but the experience of fire underwriters was exceptionally favorable.

As to the situation in New York, underwriters should go slow about making concessions in rates based upon any improvement, real or imaginary, in the municipal government. Politics are mighty uncertain, and it is yet to be settled that

New York is to have a permanent government in which efficiency and integrity are to be the test of every man's fitness for office. If the Fire Department or the Building Department are more capably managed now than ever before, it may be that they are also managed better than they will be hereafter. Any condition which permanently reduces the fire hazard may safely be recognized by underwriters and responded to with lower premiums; but ephemeral conditions which exist to-day and are only a memory to-morrow should not tempt a departure from that conservatism which experience teaches is the only safe road to permanent solvency.

TO A BLACKGUARD.

Some time ago, referring to the decision of the Appellate Division of the New York Supreme Court, in the case of Carney vs. the New York Life Insurance Company, which was adverse to the plaintiff, the *Insurance Advocate* said that "fortunately there is no appeal." It was an idiotic comment, as the only interpretation the intemperance permitted was that the New York Life might suffer if an appeal could be taken. This, from a would be special pleader for the New York Life, was so arrogant a confession that no one but a fool would have put the admission in cold type, thinking that it would help the party he was trying to serve. We called attention to the fatal admission and suggested that Dr. Carney might take the hint and if possible get an appeal, which, if unfortunate for the company, would, of course, prove fortunate for him.

The *Advocate* replies to our remarks with the fulminations of a blackguard, but attempts to maintain its position that Dr. Carney could not appeal, and makes a further exhibition of its ignorance. It reiterates its original declaration as follows:

"As we stated last month, no appeal from the unanimous decision of the Appellate Court can be taken under Section 9 of Article VI of the State Constitution, which provides that:

"No unanimous decision of the Appellate Division of the Supreme Court that there is evidence supporting or tending to sustain a finding of fact or a verdict not directed by the Court, shall be reversed (sic) by the Court of Appeals."

It is not necessary to waste much time in discussing a question of law with an amateur advocate who is so ignorant as not to be able to distinguish between a finding of fact and a finding of law, or who believes that the granting by the trial judge of a motion to dismiss the plaintiff's complaint on a question of law before any evidence was presented, is "a finding of fact or a verdict not directed by the Court." The cheerful idiot who discovered that Section 9 of Article VI applied to the Carney case ought to be promoted to a high position in the feather and club department of the New York Life.

To the poorly equipped advocate of the McCall company we present, however, this finding of fact, *Dr. Carney has appealed*, with what effect upon the fortunes of the New York Life the future will determine. That one fact of itself is a sufficient answer to the barbaresque legal finding of the *Advocate*.

The quotation of our motto, "With malice toward none, with charity for all," even though it escapes from the lips of a blackguard, reminds us of our self imposed duty to exercise charity. We leave it, therefore, for J. Harman Ashley, editor of the *Insurance Advocate*, to publish the interesting features of his own record, and inform a curious public whence he came and why. When he has done that it may be necessary, but probably not, for us to expose the falseness of the second hand lies which he has appended to his learned (?) dissertation on law.

THE TONTINE SURPLUS.

The question of the treatment of the tontine surplus in reporting the liability of life insurance companies is briefly discussed in the *Weekly Underwriter*, which observes: "No one doubts that not only tontine surpluses, but all other surpluses, in fact all of the assets of a life insurance company, are liabilities, and they are so reported." That does not meet the objection that the tontine surplus is a liability which exists for the benefit of a special class of policy holders, and not for all the policy holders. The reserve of a life insurance company is a liability which the law requires to be specifically stated, and is recognized as a liability in the aggregate of which the whole body of policy holders is not interested, but in which each policy holder has his own particular share, and to which no other policy holder has any claim whatever.

If certain tontine policy holders are entitled to a certain portion of the assets of a life insurance company, and other policy holders have no claim thereto, it follows that calling such a liability to a particular class a surplus is to misname it. By common acceptance the term surplus is taken to mean an excess of assets over liabilities which belongs to the general body of the stockholders, or of policy holders, as the case may be. Upon such a surplus no particular person or class of persons can have a specific lien. "The surplus," the *Weekly Underwriter* adds, "if there were no liability attached to it, if it did not belong to the members of the corporation, might be divided among the officers or employees." That is very true. But the contention is not that the surplus has no liability attached to it, but that on the contrary there is so specific a liability attaching to the so-called surplus reported by some life insurance companies, that it should not be reported as a surplus any more than the reserve. It is claimed that a portion of the so-called surplus, and a considerable proportion of it, is really an indebtedness of the companies to a special class of policy holders, and that it should not, and lawfully cannot, be held "against the contingencies of business," which the *Weekly Underwriter* properly declares is what a surplus is for. If the companies claim that the tontine surplus does not really belong to the holders of tontine policies, that fact should be made known to them, for they have been led to believe very differently.

NORWICH UNION'S HISTORICAL SKETCH.

We are favored with a copy of a most interesting book just issued by the Norwich Union Fire Insurance Society, commemorative of the centenary anniversary of the founding of that vigorous and successful institution. "An Historical Sketch," the title of the book, is an extremely well written review, covering the period from the founding of the company to date. While the society dates its existence from February, 1797, for twelve years prior to that time the idea, which eventually took shape in the organization of the Norwich Union, was being developed by its able founder, Mr. Thomas Bignold, the first secretary of the society. It is an interesting fact that for the entire century this important position has been held by members of the same family, descending from father to son. Mr. Thomas Bignold was secretary from 1797 to 1818, Sir Samuel Bignold from 1818 to 1875, Mr. Charles Edward Bignold from 1875 to 1895, and Mr. Charles Arthur Buhurst Bignold, elected in 1895 and still the incumbent. It is a splendid record, both for the family of the founder and for the

society. Since 1821 the society has had ten presidents, Mr. Henry Stanforth Patten now holding that position, having been elected in 1877.

The history gives many important facts concerning the growth of the society and also of fire insurance. It is handsomely printed and illustrated, and a worthy souvenir of a worthy institution.

A GLIMMER OF INTELLIGENCE.

Insurance refers to the *Insurance Observer* as "a success." The department store art critic had a lucid interval that time.

A "NEFARIOUS AGREEMENT."

The decision of Justice Ramsey in the suit of the receiver of the Life Union against William H. Law, the former president, and the other directors, contains a scorching arraignment of the defendants, although the latter win the case. It appeared that Law and the directors, in consideration of \$15,000 apiece, resigned and turned the company over to a gang of wreckers, which in a few months caused it to go into a receiver's hands. The receiver sued the directors for money had and received, which was where he made a mistake. The Appellate Division holding that the action was one of tort. In his opinion Justice Ramsey says: "This nefarious agreement was carried out with that scrupulous honor which always ought to exist among thieves, and the result was that these trustees transferred to Levy the full control of the corporation, whose interests they were bound to protect, and received from him the amount of the bribe which he had agreed to give them. * * * The thing which Law did in this case had no connection with any business of the corporation. It had no more to do with the company's business than if, for a consideration, he had agreed to rob the safe of the corporation and turn the money over to a third party, in which case, although the corporation might have an action against him for damages, it could hardly be said that it had an action for money had and received."

SHARING COMMISSIONS.

If a wholesale merchant found his clerk selling goods at less than the marked price, and learned that his clerk had been coaxed or induced to so sell them by Mr. A.B.C. or Mr. X.Y.Z., who were insurance men, what a towering rage he would be in, "These scoundrels are corrupting my clerks," he would say "and a dishonorable business it is."

Quite true; it is a dishonorable business. The same merchant does not, however, regard it dishonorable to induce insurance canvassers to share their commission with him, in order that he may get his fire insurance done a trifle cheaper. Is there any difference in the moral aspect of the two transactions? The rich merchant who makes a few dollars by getting the poor insurance canvasser to reduce his commission makes these dollars at the expense of the canvasser's pocket (for his income is lessened), and at the expense of the canvasser's conscience (for he must break his solemn agreement with his company).—*Toronto Monetary Times*.

The parallel is not good. Merchants' clerks are paid salaries, and were they to shade prices they would have to contribute the difference out of their own pockets. The insurance agent's compensation consists of commissions. If he doesn't sell insurance he gets no commission. If he can sell at any price that will give him some commission he is a winner. Were agents paid as merchants' clerks are, rebating and dividing commissions would cease, not because of better morals but of lessened opportunities.

THE MUTUAL FIRE.

The report of the examination by the New York Insurance Department of the Mutual Fire Insurance Company makes the total assets of the company on June 30, \$775,036; total liabilities, \$375,960; contribution capital, \$225,000; surplus, \$174,075. The report says that certain items of assets as set forth in the annual statement of December 31 last were over-estimated and certain liabilities under-estimated. A comparison of the company's statement of December 31, with the report of the Department for June 30, shows many changes. A summary of the assets is shown as follows:

	Dec. 31, 1896. Par Value	June 30, 1897. Market Value		Dec. 31, 1896. Par Value	June 30, 1897. Market Value
U. S. 4 per cent. bonds.....	\$222,000	\$266,955	\$100,000	\$125,125	
U. S. 5 per cent. bonds.....	95,000	102,600			
District of Columbia bonds.....	125,000	258,205	100,000	114,636	
Rock Island R. R. bonds.....	25,000	32,500	25,000	31,500	
Northwestern R. R. bonds.....	10,000	18,000	10,000	18,720	
Bank stocks.....	58,000	153,075	58,000	137,400	
Fire Association stock.....	..	125	..	..
Total.....	\$739,500	\$832,400	\$739,500	\$128,745	
Securities purchased in 1897.....	..	..	180,000	201,322	
Total stocks and bonds.....	\$639,500	\$832,400	\$839,500	\$107,067	
Cash in bank.....	111,428	65,914		224	
Cash in office.....	4,117	..		..
Total cash.....	\$115,745	\$66,108			
Interest due and accrued on stocks and bonds.....	6,000	..		..
Gross premiums in course of collection.....	94,300	..		..
Net premiums in course of collection.....	..	76,801		..	
Total assets.....	\$1,048,465	\$775,036			

The statement shows that the company disposed of \$340,000 (par value) of securities since January 1, and has purchased \$186,000 of other securities. The Department reduced the estimate of value of the bank stocks \$16,575, while raising the value of the railroad stocks owned on January 1 \$1,680. The cash in bank and office is reduced \$49,577, while the item accrued interest \$6,000 is stricken out, and instead of \$34,320 for gross premiums in course of collection, the company is credited by the Department with only the net premiums on policies written within three months, \$76,801. The total assets thus appear to be \$273,429 less than on December 31, but \$200,000 is accounted for by the elimination of the item borrowed money \$200,000 from the liabilities. The two statements of liabilities compare as follows:

	Dec. 31, 1896. Par Value	June 30, 1897. Market Value
Unpaid losses, net.....	\$10,368.53	\$70,396.34
Unearned premiums.....	297,104.94	269,107.01
Borrowed money.....	200,000.00	..
Commissions and brokerage.....	9,000.00	..
Due for reinsurance.....	..	5,967.41
Total liabilities.....	\$596,473.47	\$375,960.76

The liabilities show a reduction of \$170,312.71, while the surplus and capital compare as follows:

	Dec. 31, 1896. Par Value	June 30, 1897. Market Value
Contribution capital.....	\$225,000.00	\$225,000.00
Surplus.....	277,191.68	174,075.48
Total.....	\$502,191.68	\$399,075.48

In a circular sent to the agents of the company the President, Mr. R. A. Loewenthal, says:

"Collateral loans had been made by the company for a number of years and specifically set forth in the company's sworn statements. Since January last all such loans, amounting to \$800,000, were paid, and the assets and liabilities accordingly reduced. When the present management was placed in charge the net surplus was \$154,000, the risks were limited to large lines (averaging over \$10,000) at non-tariff rates, and the management decided upon the establishment of the plant

throughout the country on the methods of the leading agency companies. This necessitated reduction of lines to conservative figures, and the expenditure for cancellations and reinsurance amounted to \$150,000. It also became necessary to make legal entrance into many States, cities and towns, and the payment of large sums for licenses.

"It was also deemed wise to establish important local departments for the proper transaction of the business and to secure membership in the various tariff organizations, all involving original outlay and continuing contingent expenses; and, although these fixed charges and expenses had been judiciously arranged on reasonable estimates of advantageous returns, the peculiar circumstances and conditions of the past six months of general depression have combined to make the business abnormally expensive as compared with moderate income, and thus the net surplus has been decreased. During the close of 1896 and early in 1897 the numerous failures of mutual companies had brought such insurance into disrepute, and another obstacle to the successful progress of the company presented itself in the company's title, which we hope to change at an early date."

THE GRANITE STATE BANQUET.

The usual annual banquet which President Frank Jones of the Granite State Fire Insurance Company gives to the agents and friends of the company, will take place this year on Wednesday, September 15th, at the Wentworth, Newcastle, N. H. Mr. Jones is a most hospitable host and he will take care of his guests from the time they step off the cars at Portsmouth until they are ready to depart, providing for every want and giving them the best that the world affords.

THE COVENANT MUTUAL LIFE.

President E. Wilkerson, of the Covenant Mutual Life Insurance Company of St. Louis, Mo., makes the announcement that in the first seven months of the year the company has written \$3,500,000 of new business, which nearly equals the total for the entire year 1896. The premium income for the seven months exceeds that of the entire year 1896. That is a highly encouraging showing and indicates that the management is ready to secure the company's full share of the prosperity that is about to be distributed over the country. A fact worth noting also is that the business is being secured at a low expense ratio.

THE LAW OF INSURANCE.

As lawyers are primarily responsible for legislation on insurance, for lawyers make law while law makes lawyers, it is eminently fit and proper, and may we hope that it will be productive of good results, that a man as well informed on insurance law as the Hon. John A. Fitch of Indianapolis, should instruct the legal fraternity where the errors of insurance legislation lie. This he has attempted to do in a paper on "the law of insurance in the law school," read at a meeting of the American Bar Association held on August 24. The paper treats many phases of insurance, and every lawyer who heard it read must have been astounded by the facts he presented. The paper should have considerable influence in bringing the law of insurance into orderly harmony with the law on other subjects, which is the purpose of the author.

She: "I am quite sure you had too much champagne when you called on me yesterday afternoon."

He: "Yes, I thought I'd just look in to-day and see if I was engaged to you."—*Tid-Bits.*

RECEIVED WITH THANKS.

The Record Insurance Directory of New York, Brooklyn, Newark, Jersey City and Hoboken, 1897-1898; published by *The Insurance Record*. This directory has reached the interesting age of sixteen, and beauty and virtue beam from its pages. The art of condensing has been employed with the result of excluding what should not be in, and putting in what ought not to be out, in a shape accessible to everyone who has need to refer to its pages. It is a good directory, not an easy thing to produce.

Illinois Insurance Report for 1897, Part I. Fire and Marine Insurance. Hon. J. R. B. Van Cleave, Insurance Superintendent. The report was made by Mr. Van Cleave's predecessor, Hon. Bradford K. Durfee.

Annual Report of the Commissioner of Banking and Insurance of the State of New Jersey for the year ended December 31, 1896. Hon. George Wurts, Commissioner.

Report of the Insurance Commissioner of the State of Vermont for the year 1897. Hon. Chauncey W. Brownell, Secretary of State, and Henry F. Field, State Treasurer, Commissioners.

OBSERVATIONS.

A boat clause ought to be inserted in life insurance policies. That would put a stop to the mysterious death of insured men who go out in a boat and are never seen again, while their mourning beneficiaries clamor for the insurance money. One of the latest of boat enfortunates was thoughtful enough to take a bottle and stationery with him on a rowboat expedition, so as to send a farewell message to his "angel" child. But for this the insurance companies might not ever have known that he was drowned at sea.

Bicycle experience, like most early experience in insurance, is teaching the lesson that premiums are too low. The new craze has cost accident companies a pretty penny, and they are wise who lose no time in making the premiums fit the risk.

The *Weekly Underwriter* says regarding the reinsuring of policy holders in one company by another company, "the usual course in reinsuring being to take all the advantages the contract gives and return as little as possible." Does not that statement require considerable moderating?

Industrial insurance collectors may yet be classed as extra hazardous and pay for accident insurance accordingly. A collector visited a female policy holder in Montclair, N. J., and with the customary courtesy requested the payment of a premium. The woman responded by dashing a kettle of scalding water on him, then thumping him with an umbrella, and finally throwing him into the street. The premium is still unpaid, the collector's anatomy sensitive to atmospheric pressure, and the amazon in jail.

Isaacs: "Dot feller Rosenbaum has failed, undt shutt me five hundred tollars!"

Cohenstein: "Vell, don't get excited! Peetzness is peetzness."—*Puck*.

The non-union union companies will be ready to hob nob with the union companies when the latter get to Saratoga on September 7th. The non-unions have made a date one day earlier and will then get ready the olive branch. Platt and the Citizens' Union might try the Saratoga plan.

The American Legion of Honor, another big fraternal, is in court, several of its members objecting to the new plan of dividing the membership into classes. The patchwork remedies for insufficient assessments, which so many of the fraternal are adopting, will please nobody, and will not prevent the inevitable either.

That the agent is not always the agent of the insured is again demonstrated by a decision of the New York Supreme Court, Fourth Appellate Division. The insured told the agent all the facts concerning the property to be insured, then the agent went off and stuffed the application with lies. The court held that the company must pay the loss under the policy, and that the insured was not bound by the false statements contained in the application.

The father of the Germania Life Insurance Company, and the only president it ever had, Mr. Hugo Wesendonck, has tendered his resignation, to take effect on January 1st. Mr. Wesendonck, who is now eighty years of age, has long been a prominent figure in life insurance circles. His resignation has caused general regret.

Some one has said that an honest man was the noblest work of God—and the scarcest. The witicism is a libel, and the host of honest men who are managing life insurance companies solely for the benefit of the defenceless testifies to the multiplicity of the Creator's best works.

The Tariff Association of New York will probably have to wrestle with the question of reducing rates on preferred risks. There is a good profit in the present rates for the companies that get them, and there would be little dissatisfaction among those who insure were it not for the cut rates that are bobbing up in every direction.

Commissioner Merrill seemed to be anxious to have the Attorney-General of Massachusetts apply for a receiver for the Massachusetts Benefit Life. A receiver of Mr. Merrill's picking would not be desirable. It is time now that the probe should go clean through the management of the association from the time it was started on the fraternal plan to the present. Secret agreements and everything should be brought to light now.

First Boarder: "Were you here last summer?"

Second Boarder (crossly): "No, think I'd be here now if I had been here last summer!"—*Puck*.

Royal INSURANCE COMPANY
(FIRE)
Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,

JANUARY 1, 1897.

Assets, { held in the U. S. for the special purpose of insuring American Factory Builders,	\$7,481,311.62
Liabilities, - - -	5,126,654.72
Net Surplus, - - -	\$2,354,656.90

Agencies in all the Principal Cities, Towns and Villages in the United States.

SURETY ON BONDS. American Surety Co., 100 BROADWAY, NEW YORK.

Bonds Issued for Employees, Administrators,
Guardians and in Judicial Proceedings.

W. L. TENNHOLM, President.

REAR D. LINDS, Vice-President.

Resident Trustees, New York.

Wm. A. Wheeler, Henry H. Cook,
F. W. Vanderbilt, Wm. B. Knottell,
Comptroller N. Bliss, Wm. Bond,
C. H. Livingston, J. L. Laffay,
Isaac G. Hollins, C. S. Edwards,
Walker S. Johnston, Wm. A. Nash,
Wm. Nelson Greenwell, Chauncey M. Jagers,
John E. Beardsley, W. S. Gifford,
E. F. Greening, James A. Hagden,
Geo. F. Victor, John J. McCook,
H. D. Lyman, John A. McCall,
Henry B. Plant, Andrew Selig,
Wm. L. Trenchard, Jas. Sullivan

CAPITAL, \$1,500,000.

BONDSMEN SUPERSEDED.

Statement, December 31, 1896.

ASSETS (including capital, \$1,500,000) \$3,171,993.76
LIABILITIES (including reserves, \$97,548.00) 870,190.41

1860—1897.

United Firemen's Insurance Co., PHILADELPHIA.

Assets, January 1, 1897, \$1,426,021
Surplus to Policy Holders, 502,568
Capital, 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life
Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827
Income, - - - 14,158,445
Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well
as Industrial business, and offering exceptional advantages to its
Policy Holders and Agency Force.

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA.

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS
MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.


Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.

The Guarantors
LIABILITY-INDemnITY-COMPANY
OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,

38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, PRESIDENT. E. S. SAVAGE, 2D VICE-PRESIDENT.

CHAS. S. WHITNEY, VICE-PRESIDENT. JOHN NAPIER, SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co.,

(LIMITED),

OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN,

General Manager, London.

GEORGE MUNROE ENDSCOTT,

Manager and Attorney for U. S.

DWIGHT, SMITH & LILLIE, General Agents, 51 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLDOTT, President Central Trust Co., New York,
ERHST THALMANN, of Lachenburg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Stetson, Joliffe & Myrdens, Coun-
sellors at Law, New York.

F. E. RASOR, Manager.

AD. DORMEYER, Asst. Manager.

Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

January 1, 1896.

Assets, - - - - -	\$2,807,655.04
Liabilities, - - - - -	1,897,814.70
Net Surplus, - - - - -	\$770,041.34

Trustees in the United States.

DONALD MACKAY, Esq., of Vermont & Co.
CORNELIUS N. BATES, Esq., of Utica, Fulton & Co.
H. J. FAIRCHILD, Esq., of The B. B. Chas. Co.

EDWARD LITWITFIELD, Manager New York Office.
H. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserves for Insurance in force, etc.	4,815,188.97
Net surplus	5,564,318.76
Policy-holders' surplus	5,564,318.76
Gross assets	7,776,947.19

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York

F. C. MOORE, President. HENRY EVANS, Vice-President.

EDWARD LANNING, Secretary.

R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.
Western Department, 1830 Broadway, Chicago, Illa.

RESPONSIBLE AGENTS WANTED.

W. LEE STOUT, Pres. J. R. MULLIN, Secy.

THE MERCHANTS' INSURANCE CO.

OF NEWARK, N.J.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS,	\$39,402,339.09
SURPLUS,	5,584,156.19

The Penn is purely MUTUAL. Insurance is furnished at exact cost. Its features—morality, interest and expense—have all been highly favorable to this company. All policies are absolutely non-forfeitable for reserve value, the latter being applied to "EXTENSION" or to "PAID UP," as may be desired. Its policies are free from technicalities, and become incontrovertible for any cause after Two years.

HARRY F. WEST, President.

GEORGE K. JOHNSON, Vice-Prest. JOHN W. HANER, Mgr. Loan Dept.
HENRY C. BRUNN, Sec. and Treas. R. C. LIPPINCOTT, Mgr. of Agents.
JESSE J. BARKER, Actuary. H. H. HOLLOWELL, Asst. Sec. & Treas.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1896.

Assets,	\$232,141.03
Liabilities,	189,778.24
Surplus,	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$7,611,189.81
REPLAUS	248,178.00
LOSSES PAID	7,494,856.80

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust. Personal Accidents, Fidelity (Glean, Robbery, Etc.), Employers', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department,

57 & 59 WILLIAM ST.,

NEW YORK.

A. G. McILWAINE, Jr.,

Manager.

MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$20,000.00
Reinsurance reserve and all other liabilities	548,273.47
Net surplus	277,311.58
Total assets	\$1,048,400.15
Losses paid since organization	6,952,951.58

R. A. LOEWENTHAL, President. ARBON CARTER, Vice-President.
Wm. A. FRANCH, Secretary. H. W. EAMES, Assistant Secretary.

1850.

1897.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

All Policies now issued by this company contain the following clauses:

"After one year from the date of issue, the liability of the company under this policy shall not be disputed."

"This policy contains no restriction whatever upon the insured, in respect either of travel, residence or occupation."

All Death Claims paid WITHOUT DISCOUNT as soon as satisfactory proofs have been received.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. HURFORD, President.
C. F. FRAZEEH, Secretary. A. WHELAN, Assistant Sec'y.
WM. T. STANDEN, Actuary. ARTHUR C. PERRY, Cashier.
JOHN P. MUNN, General Director.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
F. H. FERRIS, Jr., President Importers and Traders National Bank.
JAMES H. PLUM, Leader.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GULE, Manager.

J. J. FUGGELL, Assistant Manager.

A. M. THORNBURN, Secretary.

COMMERCIAL UNION ASSURANCE CO., (LIMITED) OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital	\$1,000,000.00
Reserve for insured premiums	1,247,113.12
Reserve for losses under adjustment	67,961.12
Reserve for all other claims	29,540.46
Net surplus	1,304,614.70
Total assets	\$2,914,181.17

HUGO SCHUMANN, President.

FR. VON BERNUTH, Vice-President.

CHAS. RUCKHAVER, Secretary.

GEO. H. EDWARDS, Vice-President.

GUSTAV KREIS, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.
Incorporated 1851.

Hon. GEORGE A. COX,
President.

J. J. KENNY,
Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets	\$1,636,689.35
Surplus in United States	547,731.08

HANOVER FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.



FOR FIRE INSURANCE.

Agents in United States, - - - - - \$1,451,944.71
Net Surplus, - - - - - 539,113.46

Writing Large Lines on Domestic Business.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM HILL, WILLIAM WOOD, Joint Managers.

WILLIAM M. HALLAM, Branch Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?

SUBJECT TO THE
INVALUABLE MAINE NON-FORFEITURE LAW
And Contains all Up-to-date Features.

PLANS:

Tenetic

Annual Divi-

ded or

Receivable

Term.

UNION MUTUAL LIFE Insurance Company.

Incorporated
1896.

Reliable

Agents

Always

Wanted.

FRANK S. RICHARDS, President.

PORTLAND, MAINE.

ARTHUR L. SALLIS, Vice-Pres.

Address either: (EDMUND D. SCOTTFIELD, Supr., 110 American Trust Building,
50 Nassau Street, N. Y. City
(THORNTON U. BLANK, Supr., 84 Adams Street, Chicago, Ill.)

Massachusetts Benefit Life Association OF BOSTON.

Statement of Business for 1896.

Policies written during 1896	16,548
Insurance applied for in 1896	\$17,206,694.00
Insurance written in 1896	14,900,720.00
Total assets	1,127,888.01
Amount paid in losses	2,059,986.80
Total amount paid in losses since organization	15,800,460.88
Insurance in force	\$3,067,000.00

JOHN HENRY BOLKER, President.

Hon. CARROLL D. WRIGHT, 1st Vice-President.

Hon. HIRSH A. TUTTLE, 2d Vice-President.

Bankers' Life Insurance Company OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.

Home Office, No. 31 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the BANKERS' LIFE are simply business contracts for pure life insurance, and are free from objectionable clauses usually embodied in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED,
KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$700,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1874

THE OLDEST NEW YORK COM-
PANY IN ITS LINE, AND THE
ONE HAVING THE LARGEST
NET SURPLUS.

Insurance, N. Y.

Assets, - - - \$402,179.22
Capital and Net
Surplus, - - - 315,875.77

EDWARD H. WINTER, - - - President.
DAVID D. WINTER, - - - V.-President.
S. W. BROWN, - - - Sec'y.
CHAS. F. FORD, Gen. Agent,
No. 144 La Salle St., Chicago.

NEW YORK UNDERWRITERS AGENCY

(INCORPORATED 1864)

Local Agents in all Prominent Localities in the
United States.

Office: 100 William Street, New York.
A. & J. H. STODDART, General Agents.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President.

21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1852.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary



WHAT DOES HE GET FOR IT?

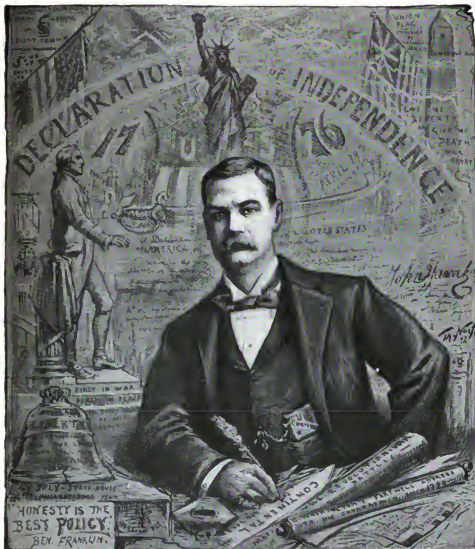
THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, SEPTEMBER 16, 1897.

No. 20.



MR. HENRY EVANS, A REPRESENTATIVE AMERICAN UNDERWRITER.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), " " " \$2.00 per annum.

European Subscription (postage free), " " " 2.50 " "

Single copies, " " " 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

STOCK OR MUTUAL?

When two such eminent champions of stock and mutual life insurance as Messrs. M. G. Bulkeley and Jacob L. Greene respectively engage in a public discussion of the relative merits of the two systems, the controversy is likely to be entertaining and instructive. In another part of this paper are published the latest chapters of the debate. Mr. Bulkeley it will be observed handles statistics like a veteran, while Col. Greene displays his usual masterly ability in detecting a weak point in his adversary's armor.

NOT BLEEDING KANSAS BUT KANSAS BLEEDING.

McNall's visits by proxy to the life insurance are highly productive of results in cash. It would be bad enough if the companies were directed to stand and deliver after an honest examination of them had been made by Mr. McNall, but if, as appears to be the case, the examinations are only the veriest sham, the levying of tribute upon the companies is plain stealing. We have given Mr. McNall credit for honest intentions, whatever lack of judgment he may have displayed in executing them. But when a man intends to take money which does not belong to him and which he has not earned he intends to steal, and if he executes his purpose he does steal. Mr. McNall may be able to explain away the charges made against him, but he has not done it yet.

There is one company—the Travelers—which will not submit to McNallism of the sort which has broken out in Chicago and Philadelphia. When Mr. McNall presents himself in person or by deputy to that company and demands permission to examine it, he will be asked the question, "For whom do you propose to examine this company?" If the reply is "for the State of Kansas," he will be informed that the State of Kansas must pay the expense of the examination. There will be no examination of that company at the expense of the company. The company can well take that position, for its charter is from a state which conducts all its examinations of insurance companies at its own expense. As Mr. McNall has been informed by Mr. Batterson of the attitude of his company, the Kansas magnate will probably go slow until he gets his bearings.

Let the Travelers' plan be adopted by all the insurance companies and the McNalls will find it much cheaper to stay home than to travel. Kansas will soon stop her "bleeding" if the blood won't come.

THE IOWA PLAN IN ISSUE.

The decision of the foreign fire insurance to have a judicial determination of the question whether a state can impose a discriminating tax upon them, and, if necessary, to have the question settled by the Supreme Court of the United States, is in every way commendable. The committee having the matter in hand, has for its chairman Mr. Henry W. Eaton, so no backing down is possible and the highest court of the land will stamp with its approval or disapproval the Iowa plan of robbing Peter to pay Paul. The example set by the foreign fire companies may and ought to be followed by American fire and life companies. The low grade politicians, which generally have come to be the ruling power of state governments, have conducted their fight for pillage against insurance interests until the time has come for the judicial decree, "so far and no farther." Either that, or those managing insurance interests might as well turn the management over to the politicians.

COMMISSIONER MERRILL'S EXIT.

Insurance Commissioner George S. Merrill has tendered his resignation to the Governor of Massachusetts, and his resignation has been accepted. It is unfortunate that a man who in ability and in technical insurance knowledge towered far above any of the recent occupants of similar positions in insurance departments, should make so ignominious an exit. Mr. Merrill resigns for cause, and it is proper that his resignation should be accepted. The possession of official secrets may be the key to open the doors for him to a remunerative position in some insurance company, but Mr. Merrill will never again command the confidence which was once reposed in him.

ON INCIPIENT PARESIS.

Ever since the hired man of the *Insurance Age*, whose cognomen scents the atmosphere with the odor of addled eggs, was himself in the throes of incipient paresis, his withers have been wrung whenever he sees or imagines he sees anybody else showing similar signs of mental decay. That probably explains his sympathetic comments on Manager Bowers of the North British and Mercantile. Mr. Bowers is a hard working official and the cares of his position are very wearing. It is possible that the multiplicity of his duties and the grave responsibilities which rest upon him tend to make Mr. Bowers at times irritable, or even to threaten him with nervous prostration. But if the highly intellectual labor of adding figures and making doggerel verse developed incipient paresis in Haich, the more arduous mental labors of a man in the responsible position which Mr. Bowers occupies might carry him even to the point which Haich reached. Mr. Bowers should heed the hint contained in the reproof administered by his fellow sufferer, whose sense of decency prevents his use of opprobrious terms, and relax somewhat the mental strain which is perhaps undermining a naturally genial disposition. With health restored, he may be able to tolerate the company of decent gentlemen of the Haich stripe without manifesting too plainly his contempt for them.

BIG AND LITTLE FISH.

There is always great satisfaction in landing a big fish, and the bigger the fish the greater the sense of pride of the sportsman. But in fishing for profit it is the little fish that count the most and the oftentimes, and life insurance fishermen in this respect have the same experience as their piscatorial brethren. There is a superior genius which can rise above the level of the ordinary plodding talent that accomplishes much by doing only a little at a time. Such genius can afford to confine its efforts to the big gamey fish and ignore the small fry denizens of the deeps and shallows. But there are more small fish than large fish to be caught, and the expenditure of force and time and skill is less in proportion to the results to be obtained than must ordinarily be employed in tackling weight and size and pluck.

About \$2,500 is the average size of the policies to be found in life insurance waters, although the ponderous \$50,000 and \$100,000 fellows are sometimes to be found disporting among the minnows. The life insurance agent may fish in those waters with the bent hook of common sense and diligence, and in the end secure a larger reward for his labor than the well equipped genius with fly and rod. A good many small fish are usually worth more than one large fish, and for a regular income producing business the small catches will beat the big ones a dozen times over. It is easier to haul the little fish in, easier to prevent them slipping away again, and easier to save them from the purloining efforts of rival fishermen. The best advice that can be given to life insurance solicitors is to catch big fish when they can, but to make their principal business the catching of the little fish.

A HERO HONORED.

Major George W. Corliss, of the *Insurance Critic*, has received from Congress a medal of honor in recognition of his gallantry and splendid service at the battle of Cedar Mountain, Va., on August 9, 1862, and no hero of the late war more worthily deserved such an honor. Major Corliss's services on that memorable day have won for him many testimonials. As Captain of the color company of the 5th Connecticut Volunteers, he was one of the most conspicuous figures in front of the line of battle, led a desperate charge across an open field under the fire of the enemy, seized the colors when the color bearer was killed and carried them at the head of the line until he fell badly wounded. Afterward he was captured and was confined several months in Libby prison. He was a few years after brevetted Major for "conspicuous gallantry in action," and no hero wears his honors more modestly than the estimable Major. In war or peace Major Corliss has always been the courteous honorable gentleman. Long life and prosperity to the Major.

BUSINESS INCREASING.

The American Union Life Insurance Company makes the interesting announcement that it received \$1,325,000 of applications in August, as compared with \$320,000 received in the corresponding month of 1896. An increase of more than 300 per cent. is a pretty good showing for business getting. In the three months ended August 31st the company wrote \$3,560,000 of business, and in the same period last year only \$1,316,000, an increase of \$2,244,000 or 170 per cent. That is extraordinary summer work.

"THINKING TOMMY'S" DISCOVERY.

A shop meeting of the fellow workmen of "Bob" Sanders had been called to take action relative to the sudden death of their shopmate, who only a week before had been working at his bench, but had succumbed to a fatal attack of pneumonia after only a few days' illness.

"Bob" had been the most popular man in the shop, a rollicking, merry fellow, free handed and warm hearted. He spent his dollars as fast as he made them, more often on others than on himself.

The chair announced the object of the meeting and said that motions were in order.

Jake Burroughs moved that the men buy a floral piece. "Gates Ajar" he thought would be the thing.

Bill Parsons moved they hire carriages and attend the funeral in a body, eight carriages would be enough.

Mai Murphy recommended resolutions, engrossed and put in a gilt frame, to be sent to the widow.

Sam Packley suggested that the resolutions be put in an album with Bob's name printed in gold letters on the cover.

Then a quiet little man, whose mediative habits had caused him to be dubbed "Thinking Tommy" arose.

"Mr. Chairman," he said, "I am not in favor of 'Gates Ajar,' carriages, gold framed resolutions or albums. They are all good enough in their way, but they don't suit this case. We all know Bob has left his wife and two little ones without a penny in the world. If we want to show our respect for Bob let us do something for the widow. Let us raise all the money we can, give it to her, and it will help her to put poor Bob under the sod, and maybe put bread in the mouths of the children until she can get something to do."

"Thinking Tommy's" suggestion met with unanimous favor, the hat was passed, and when the contributions were counted they made the snug sum of \$149. "Thinking Tommy" was selected to carry the money to the widow.

"Boys, you have done well, but you will forgive me if I preach a little. I have been to see Bob's wife since he died, and the case is awful. The poor woman must face the world with two little chicks to provide for. I don't know how she is going to do it. Neither does she. What misery is in store for her God only knows."

"But how many of us, were we to die as Bob has, would leave our families any better off than Bob has? I haven't any kith or kin, but there is Joe with a good and true wife and three little ones who search his pockets every Saturday night for the sweets or toys they know Joe is sure to bring them. How will it be with them, Joe, after you have gone home for the last time?"

"And you, Ned, have you thought what will become of little 'Tip,' whose mother you laid away in her grave last spring, should you take your place at her side?"

"And Phil, that dear old mother to whom you are so devoted, and who has only you, what would she do without you? At 60 she cannot go out and earn a living. Would you will her to the parish, Phil?"

"The awful position of poor Bob's widow has made me do harder thinking than I ever did before in my life. And I have thought of all you fellows working hard every day to provide for loved ones, yet leaving them to face hunger and want if you should be taken as Bob has been."

"We are all young men and hope to live a long time, but

Bob was younger than some of us and he is gone. Boys let us look ahead a little and think of those who may live after us.

"I would advise you to save your money, but saving is a slow job, and there is usually a streak of meanness in the man who can keep his money in sight and not spend it, and even then saving ends on this side of the grave. You must live to save, so saving does not provide for the emergency of death.

"There is only one thing to do, boys, and I urge you to do it—insure your lives. Take out a policy of insurance that will give your families something to keep clothes on their backs, food in their mouths, and a roof over their heads when your wages are no longer coming in to do this for them.

"I have been investigating the subject, and confess that I always had a prejudice against life insurance. I felt that it was a sort of laying up treasure for other people to squander. Maybe that was because I had none of my own flesh and blood to provide for. But I find that life insurance is good for me with no family, and good for Joe there with a good sized family already on his hands and a future still before him.

"I have often heard it said that with life insurance you have to die to win, but that is not the kind of life insurance I would advise you to take. I don't know that there is that kind. There is one kind which just suits me, and I think it will suit you. You pay for 20 years if you live, and then you get all your money back and a good deal more; if you die your family gets the insurance money even if you have paid for only one year.

"Most of us are between 25 and 30 years of age. For about \$50 a year we can get \$1,000 of life insurance payable when we die, or at the end of 20 years if we live. There is not one of you who cannot afford to spend \$100 a year for life insurance; that would be less than \$2 a week. Poor Bob spent \$5 a week treating and helping his friends. Had he used that money in life insurance his widow would now have \$5,000 coming to her.

"By paying \$2 a week you will be sure that your family will get \$2,000 when you die, but there is the chance of your living. When the 20 years are up you will get not \$2,000 but nearly \$3,000 in cash, for there will be dividends credited to you if you don't draw them, and I would not advise you to draw them. Boys, I was astonished when I discovered that such a thing could be done. In 20 years you pay in only \$2,000 and yet you get back \$3,000, and all the time in the 20 years you are sure that your family will get \$2,000 if you die. If you put your \$2 a week in the savings bank for 20 years and got 4 per cent. interest every year you would have only about \$3,000 and no insurance for your family at all.

"I used to think that money paid for insurance was lost forever, but I find that is not so either. A good part of the \$100 a year that you pay in will be given back to you whenever you want to quit. After you pay for 5 years you can get \$350 back, after 10 years \$800 back, and after 15 years \$1,400 back. So you see you get your life insurance for almost nothing. You simply lend your money to the insurance company and get it back with good interest. That is about the size of it.

"But the main thing is that your families are to be taken care of should you die. Joe, you will be sure Mary and the babies will be all right even if you should die one day after you got insured. Your \$100 would give Mary \$2,000. Ned, you could take your little motherless 'Tip' by the hand and, as your last sighing breath flutters across his wondering face say, 'It's all right, Tip, I've fixed it.' Phil, you can say to

your old sorrowing mother, as your soul takes its flight, I'll wait for you on the other side, mother, I've left enough to keep you comfortable here until you join me over there.

"Boys, will you do this for the helpless ones you love?" "Thinking Tommy's" words sunk into the hearts of his hearers, and his advice was heeded. The wisdom of it was only too soon demonstrated. For just a month after little "Tip" was fatherless as well as motherless. But there was a \$2,500 policy of insurance to shelter him from the chill blasts of pauperism, and Ned's shopmates gladly raised \$50 to pay what he had borrowed to help meet his first year's premium. Ned's investment of about \$100 in life insurance paid his son \$2,500 in 30 days.

IN THE UNION.

The Western Union and the Non-Union unions have done the swallowing act and the latter is inside. There are still non-union companies on the outside, however, but the Western Union is bigger than ever before. The 15 per cent. commission rule has been adopted and other reforms have been promised. The business previously bought with high commissions will probably stick where it is unless the outsiders make a bid for it.

PRESIDENT JOHN W. MURRAY.

Mr. John W. Murray has taken hold of the Norwood Insurance Company and, as president, will make it a going concern if any one can. Mr. Murray, as vice-president of the German-American, showed that he was an executive of extraordinary ability, and under his wise administration that company made wonderful progress. Mr. Murray will have the Norwood in full swing in a few weeks, and will do business on conservative lines.

OBSERVATIONS.

Tiltes talked too much again, and his plan to scoop business by supplying electric alarm boxes for Little Rock, Ark., came to grief. He withdrew his offer, still he succeeded in getting Tiltes talked about, so there was method in his madness after all.

Things are hot down in Atlanta, and the agents are begging for permission to start a war of rates against the non-board companies. Whenever oil is poured on the troubled waters somebody applies a lighted match, and then—

First Lawyer: "You are a slyster!"

His Opponent: "And you are a blackguard!"

The Court: "Now, gentlemen, let us get at the disputed points in the case."—*Philadelphia North American*.

The decision of the officers of the Mutual Fire Insurance Company to change its name to the Manhattan Fire Insurance Company is wise. The "Mutual Fire" is now a stock company, and anyway the title "Mutual" seems to fit gracefully only the "G. O. M." All others are imitations. With that exception the word mutual is no more distinctive than is the word insurance in the title of an insurance company.

"Are you in pain, my little man?" asked the kind old gentleman.

"No," answered the boy. "The pain is in me."—*Indianapolis Journal*.

The request of Messrs. Jameson & Frelinghuysen, that the New York department make an examination of their three companies—the Globe, the Broadway, and the Insurance Company of the State of New York—has been granted, and the department is now making the examination. The Ohio department may look, but it mustn't touch.

The reading notice advertisement published in a number of daily papers for a price, which purported to contain a list of failures of assessment companies, was as dishonest as the papers which published the advertisement without disclosing to their readers its counting room origin. Such methods will not do level premium insurance any good.

"An allowance is something like a bicycle."

"How so?"

"A man can put his wife on it, but he can't make her stay on it."—*Chicago Record.*

Missouri, by the grace of the anti-trust law, its insurance superintendent, its Attorney General, and the state courts, may return to the primitive methods of non-insuring times. When it has driven out 24 fire insurance companies the job of driving out all the rest will be easy enough, and then owners of property will be relieved of the unpleasant trouble of collecting fire loss claims. Missouri people seem to have property to burn.

The enemies of the "Clus" say that the publishing of statistics showing reduced fire losses and a lower mortality rate in New York under the reform administration, is a contemptible exhibition of Low down politics. The White Angels' visits to the streets of New York make a similar exhibition.

At one time if you smoked on the streets of Harrisburg after dark it cost you one dollar. Back in 1869, when Samuel Pool was President of the Town Council and J. Montgomery was Clerk, it was deemed dangerous to permit people to smoke on the streets after dark, and the Council passed this ordinance: "Whereas, The frequent use of cigars in the streets, lanes, and alleys of the borough in the evening renders insecure every man's house and stable, and much danger is to be apprehended from fire, therefore be it ordained, etc., that after the due promulgation of this ordinance it shall not be lawful for any person or persons to use or carry along any of the streets, lanes, or alleys in this borough a lighted cigar or pipe after sundown under the penalty of one dollar for every such offence."—*Harrisburg Telegraph.*

Royal

INSURANCE COMPANY
(FIRE)
Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,

JANUARY 1, 1897.

Assets, { held in the U. S. for the special pro- vision of the American Policy Holders. }	\$7,481,311.62
Liabilities, - - -	5,126,654.72
Net Surplus, - - -	\$2,354,656.90

Agencies in all the Principal Cities, Towns and Villages in the United States.

The Liverpool and London and Globe Insurance Company.

UNITED STATES STATEMENT, DEC. 31, 1896.

Assets,	\$9,339,545.38
Liabilities,	5,246,085.00
Surplus,	4,093,460.38

New York Office, 45 WILLIAM ST.

H. W. EATON, Resident Manager.

GEO. W. HOYT, Deputy Manager.

JOHN J. MARTIN, Agency Supt.

THE LEADING
Industrial Insurance Company
OF AMERICA.

CANVASSERS WANTED

IN ALL PRINCIPAL CITIES OF THE

New England, Middle and Western States, and Canada,

BY THE

METROPOLITAN
LIFE INS. CO.
OF NEW YORK.

FOR ITS

PLAN OF INDUSTRIAL INSURANCE.

This plan embraces all the members of a family, male and female, between ages 2 and 70. Premiums from five to sixty cents per week. Claims paid immediately at death. Premiums collected weekly from the homes of policy holders. Benefits range from \$15 to \$1,000 and upwards.

All needed explanations will be furnished upon application to the Company's Superintendents in any of the principal cities, or to the Home Office in New York.

JOHN R. HEGENAN, President.

HALEY FISKE, Vice-President. GEORGE B. GASTON, 2d Vice-President.

GEORGE E. WOODWARD, Secretary.

J. J. THOMPSON, Cashier & Assistant Secretary.

JAMES M. CRAIG, Actuaries.

THOMAS R. WILLARD, M. D., Medical Director.

STEWART L. WOODFORD, Counsel.

JAMESON & FRELINGHUYSEN,
General Agents and Managers,
80 & 82 WILLIAM ST., NEW YORK.

JULY 1, 1897.

GLOBE FIRE INSURANCE CO. Capital, \$200,000. Assets, \$758,164.38. Surplus, \$98,590.54.

INSURANCE COMPANY OF THE STATE OF NEW YORK. Capital, \$200,000. Assets, \$991,335.76. Surplus, \$70,694.73.

BROADWAY INSURANCE CO. Capital, \$200,000. Assets, \$338,313.62. Surplus, \$11,039.

MANUFACTURERS LLOYDS. Assets, \$302,823.09. Security as to Policyholders, \$432,823.09.

Stock and Mutual Management for a Quarter Century Compared.

ÆTNA LIFE AND CONNECTICUT MUTUAL.

A Comparative History, showing the results of the twenty five years' administration of the present conservative management of the leading Mutual Life Insurance Company in New England in contrast with the progress made in the same period by the greatest exponent of Stock management in the United States.

Statement of the Relative Standing of the Ætina Life and Connecticut Mutual on December 31, 1872, and January 1, 1897.

[The information below has been gathered from the sworn statements filed in the Insurance Department of the State of Connecticut for the years 1872 and 1896.]

ÆTNA LIFE.		CONNECTICUT MUTUAL.	
DECEMBER 31, 1872.		DECEMBER 31, 1872.	
Assets.....	\$17,162,501	Assets.....	\$24,829,141
Liabilities.....	16,729,938	Liabilities.....	26,675,263
Surplus to policy holders.....	\$432,563	Surplus to policy holders.....	\$1,060,778
JANUARY 1, 1897.		JANUARY 1, 1897.	
Assets.....	\$15,557,372	Assets.....	\$2,947,376
Liabilities.....	38,368,920	Liabilities.....	\$4,684,178
Surplus to policy holders.....	\$7,189,352	Surplus to policy holders.....	\$8,363,091
Increase surplus to policy holders.....	6,355,788	Increase surplus to policy holders.....	3,906,319
Or 763 per cent.		Or 63 per cent.	
DECEMBER 31, 1872.		DECEMBER 31, 1872.	
Insurance in force.....	\$97,633,682	Insurance in force.....	\$181,725,498
JANUARY 1, 1897.		JANUARY 1, 1897.	
Insurance in force.....	\$45,435,641	Insurance in force.....	\$17,423,623
Increase insurance in force.....	\$7,982,259	Increase insurance in force.....	\$4,812,923
DECEMBER 31, 1872.		DECEMBER 31, 1872.	
Premium income.....	\$4,750,610	Premium income.....	\$7,715,068
JANUARY 1, 1897.		JANUARY 1, 1897.	
Premium income.....	\$2,316,350	Premium income.....	\$4,743,286
Increase premium income.....	\$45,740	Increase premium income.....	\$6,671,523
DECEMBER 31, 1872.		DECEMBER 31, 1872.	
Total assets to each \$1,000 of liability.....	\$1,048	Total assets to each \$1,000 of liability.....	\$1,169
JANUARY 1, 1897.		JANUARY 1, 1897.	
Total assets to each \$1,000 of liability.....	1,187	Total assets to each \$1,000 of liability.....	1,181
Increase in assets to each \$1,000 of liability.....	138	Increase in assets to each \$1,000 of liability.....	10
DECEMBER 31, 1872.		DECEMBER 31, 1872.	
Ratio of expense of management to premium income.....	10.32 per cent.	Ratio of expense of management to premium income.....	10.37 per cent.
JANUARY 1, 1897.		JANUARY 1, 1897.	
Ratio of expense of management to premium income.....	20.68 per cent.	Ratio of expense of management to premium income.....	34.73 per cent.
Increase ratio of management expenses.....	7.06 per cent.	Increase ratio of management expenses.....	11.46 per cent.

Extract from a recently published letter of the President of the Connecticut Mutual Life Insurance Company:

"We Know of No Reason Why the Past Should Not Repeat Itself."

The above is a republication of a former advertisement. Below we present in detail the items which go to make up the particular part which has been criticized, and also refer to the report of the Insurance Commissioner of Connecticut, from which the figures of both companies were taken, and the pages where they may be found.

"Figures Won't Lie." Men Are Oftentimes Mistaken.

ÆTNA LIFE.

January 1, 1897.

Total Admitted Assets as shown on Page 6 of Connecticut Insurance Department Report, 1897.....	\$45,557,372.00
Liabilities as shown on Page 7 of Connecticut Insurance Department Report, 1897, viz: "The Set Reserve as compared in this department," also last year, 1896.....	\$27,316,523.00
All other liabilities than Reserve Reserve, as shown on Page 7 of Connecticut Insurance Department Report, 1897.....	\$1,048,377.00
Liabilities on policy holders' account as computed and charged by the Insurance Department of Connecticut.....	\$28,288,220.00
Surplus to policy holders.....	\$7,189,222.00

CONNECTICUT MUTUAL.

January 1, 1897.

Total Admitted Assets as shown on Page 20 of Connecticut Insurance Department Report, 1897.....	\$62,947,376.00
Liabilities as shown on Page 20 of Connecticut Insurance Department Report, 1897, viz: "The Set Reserve as compared in this department," also last year, 1896.....	\$53,544,878.00
All other liabilities than Reserve Reserve, as shown on Pages 26 and 27 of Connecticut Insurance Department Report, 1897.....	\$1,120,608.00
Liabilities on policy holders' account as computed and charged by the Insurance Department of Connecticut.....	\$54,664,178.00
Surplus to policy holders.....	\$8,968,021.00

"Stock and Mutual Management FOR A QUARTER-CENTURY COMPARED. ÆTNA LIFE AND CONNECTICUT MUTUAL."

In a recent attack by the Ætina on the Connecticut Mutual, that company stated that its own "surplus to policy holders" on January 1, 1937, was \$7,188,352, and that this "information" was "gathered" from its "sworn statement" to the Connecticut Insurance Department. As those figures are out in the sworn statement and cannot in any proper way be made up from that statement, and do not anywhere appear in the publication of that statement, and as those figures, as well as those from which they are derived, do appear in the New York reports and elsewhere else, the writer of this stated in his reply that the Ætina's figures were taken from the New York report and not from the Connecticut report, and were so taken in order to make an unfair showing against the Connecticut Mutual.

And now comes the Ætina again and says that "figures won't lie" and that we were mistaken, and proceeds to show how its figures were "gathered" from its "sworn statement." It seems we did not catch the peculiar force of the word "gathered," and that while we necessarily supposed it meant a true, ungarbled extract or quotation from such sworn statement, it really meant that the Ætina had picked out certain figures there from and had so combined them as to produce the result, \$7,188,352, and had left out other essential figures and the result there plainly set down.

We will present the full and precise figures of the Ætina's "sworn statement" to the Connecticut department, as published by it, and also that to the New York department, and also show how it "gathered" the result of the New York report figures from its "sworn statement" to Connecticut.

The "sworn statement" to Connecticut (see pages 6, 7 and 8) is as follows:

Total admitted assets	\$45,557,572.15
Net reinsurance reserve	837,796,392.00
Certain other policy liabilities (but not "all other liabilities," as alleged)	1,049,377.90

"Liabilities on policy holders' account	\$38,543,769.60
"Capital stock paid up	1,750,000.00
"Gross divisible surplus	4,961,502.25
"Total liabilities	\$45,557,572.15

The New York report figures are as follows:

Total admitted assets	\$45,557,572.15
Net reserve	\$87,819,843.00
Certain other policy liabilities	1,049,377.90

"Liabilities on policy holders' account	\$38,568,920.50
"Gross divisible surplus	7,188,351.35
"Capital stock paid up	\$1,750,000.00
(but not considered as a liability.)	

"Total liabilities	\$45,557,572.15
--------------------------	-----------------

The differences between the two "sworn statements" are very marked: the one to Connecticut gives "gross divisible surplus, \$4,961,502.25"; the one to New York gives "gross divisible surplus, \$7,188,351.35." The Ætina also says its "surplus to policy holders" is \$7,188,351, but that it did not take the figures from the New York report but "gathered" them out of the "sworn statement" to the Connecticut department.

How can they be so "gathered"? By substitution and omission.

The substitution was this: In its "sworn statement" to the Connecticut department the Ætina states its "net reinsurance reserve to be \$37,796,392." This is understood to include certain policy liabilities which it does not specify to the department, and which, therefore, the latter cannot verify. So the department calculates the net reserve on the liabilities of which the Ætina gives it the necessary data, finds it to be \$37,819,543, inserts a foot note to that effect, but accepts the Ætina's own calculation of \$476,849 of the unknown items, and gives the "sworn statement" already fully quoted. But in "gathering" the figures from the "sworn statement," the "net reinsurance reserve, \$37,796,392" is stricken out, and the figures in the foot note, \$37,819,543, are substituted, and \$476,849 of additional policy liability is thus "gathered" out of the "sworn statement."

The plain omission is this: In the return to the Connecticut department the capital stock of \$1,750,000 is properly treated as a liability, that is, if it really is the property of the stockholders. In the Ætina's figures "gathered" from that "sworn statement" it is wholly omitted. In the New York report it is mentioned but not treated as a liability. Taking the \$1,750,000 capital stock omitted, and the \$476,849 gained by substituting other figures for their own "sworn" reserve, and adding the two items to the "gross divisible surplus, \$4,961,502.25" of the Ætina's statement to Connecticut, and you "gather" the "gross divisible surplus, \$7,188,351.35" of the New York report, and the "surplus to policy holders, \$7,188,351.35," now claimed by the Ætina. It was precisely by that omission of capital stock as a liability, and substitution of the one reserve in place of the other, that the Ætina's report to the New York department was made up, giving the figures of surplus as \$7,188,351, which they now adopt; which figures are not in the "sworn statement" to the Connecticut department and cannot even be "gathered" therefrom with, out mutilation and suppression not only of figures but of very important facts. The bald fact remains that the Ætina's "sworn statement" of surplus to the Connecticut department is \$4,961,502.25; its statement to the New York department is \$7,188,351.35, and the latter is the figure it now uses.

And now comes a curious commentary on the whole performance.

In its own publication of its annual statement January 1, 1937, the Ætina uses all the policy liability figures of its statement to the Connecticut commissioner; it gives its reinsurance reserve as \$37,796,392 instead of the "gathered" \$37,819,543. It makes its total policy liabilities \$38,845,739.90, as in the statement to the Connecticut commissioner, and states its surplus thus:

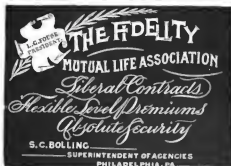
Gross Assets, January 1, 1937	\$15,557,572.15
Liabilities	38,845,739.90

"Surplus as regards policy holders"	\$6,711,502.25
---	----------------

No mention is made of the capital stock of \$1,750,000. If that were treated as the property of the stockholders and therefore a liability, and deducted from the \$6,711,502.25, it would leave the "Gross divisible Surplus, \$4,961,502.25" of the sworn statement to the Connecticut commissioner.

Out of all this hot-and-cold figures there seem to remain two questions: What is the Ætina's surplus? Is it \$4,961,502.25, or \$6,711,502.25, or \$7,188,351.35? And does the capital stock belong to the stockholders, or to the policy holders who created it? When the true surplus is found, whose is it?

JACOB L. GREENE,
President Connecticut Mutual Life Insurance Company.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,

38 PINE STREET, NEW YORK CITY.

G. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING,

PRESIDENT.

CHAS. S. WHITNEY,

VICE-PRESIDENT.

E. S. SAVAGE,

2D VICE-PRESIDENT.

JOHN NAPIER,

SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.
It conducts its business at a lower ratio of expense than any other company.

R. STANLEY BROWN, GEORGE MUNROE ENHACOTT,
General Manager, London. Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 51 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLCOTT, President Central Trust Co., New York.
ERNEST THALMANN, of Ladesturg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Norman, Johns & Myrders, Counselors at Law, New York.

F. E. BASOR, Manager. AID, DOHMEYER, Asst. Manager.

THE Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

Assets, - - -	January 1, 1896.	\$2,907,888.04
Liabilities, - - -		1,887,814.70
Net Surplus, - - -		\$770,041.94

Trustees in the United States.

DONALD MACKAY, Esq., of Verndry & Co.
CORNELIUS N. BLISS, Esq., of Bliss, Fabry & Co.
B. J. FAIRCHILD, Esq., of The H. B. Chadler Co.
EDWARD LITCHFIELD, Manager, New York Office.
M. FAIRCHILD, Assistant Manager, New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserves for insurance in force, etc.	4,812,168.37
Net surplus	7,064,918.16
Policy-holders' surplus	3,564,918.16
Gross assets	7,776,547.16

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 48 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.

EDWARD LANNING, Secretary.

R. J. TAYLOR, Manager Loan Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.,
Western Department, BROAD BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

G. LEE STOUT, Pres. J. R. MULLIN, Secy.

THE MERCHANTS

INSURANCE CO.

OF NEWARK, N.J.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS,	\$20,405,520.88
SURPLUS,	3,564,129.70

The Penn is purely Mutual. Insurance is furnished at exact cost. Its factors—mortality, interest and expense—have all been highly favorable to this company. All policies are absolutely Non-Forfeitable for reserve value, the latter being applied to "EXTENSION" or to "PAID-UP," as may be desired. Its policies are free from technicalities, and become incontrovertible for any cause after Two years.

HARRY F. WEST, President.

GEORGE K. SUDWYN, Vice-Pres. JOHN W. HAMER, Mgr. Loan Dept.
HENRY C. BRIDEN, Sec. and Treas. R. C. LIFTON, Mgr. of Agencies.
JESSE J. BARKER, Actuary. H. H. HALL, JEWELL, Asst. Sec. & Treas.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets,	\$232,141.03
Liabilities,	189,778.24
Surplus,	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK,

97-103 CEDAR STREET.



ASSETS	\$2,011,188.01
SURPLUS	240,176.00
LOSSES PAID	7,494,250.00

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust. Personal Accidents, Plate Glass, Boiler, Elevator, Expansive, Landlord's, and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. WILLIAMS, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.

MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK.

(A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$25,000.00
Unimpaired reserve and all other liabilities	\$46,373.47
Net surplus	\$71,373.47
Total assets	\$1,046,403.15
Losses paid since organization	6,000,000.00

R. A. LIVINGSTON, President.

AARON CARTER, Vice-President.

Wm. A. FRANCIS, Secretary.

H. W. KADAN, Assistant Secretary.

1850.

1897.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

All Policies now issued by this company contain the following clause:

"After one year from the date of issue, the liability of the company under this policy shall not be disputed."
"This policy contains no restriction whatever upon the insured, in respect either of travel, residence or occupation."

All Death Claims paid WITHOUT DISCOUNT as soon as satisfactory proofs have been received.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.

C. F. FRALEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANDEN, Actuary. ARTHUR C. PERCY, Cashier.
JOHN F. MUNN, Manager.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, President Importers' and Traders' National Bank.
E. H. PERKINS, Jr., Building.
JAMES H. PLUM, Leasing.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURCELL, Assistant Manager.

A. M. THURBURN, Secretary.

COMMERCIAL UNION ASSURANCE CO., (LIMITED), OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

GERMANIA FIRE INSURANCE CO., 62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital	\$1,000,000.00
Reserve for unexpired premium	1,514,675.06
Reserve for losses under adjustment	27,483.42
Reserve for all other claims	10,244.48
Net surplus	1,569,398.96
Total assets	\$2,544,731.47

HEGO SCHUMANN, President.

FR. VON BERNUTH, Vice-President. CHAR. BUCKHAVER, Secretary.
GEO. B. EDWARDS, Vice-President. GEORGE KERR, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.
Incorporated 1851.

Hon. GEORGE A. COX, J. J. KENNY,
President, Vice-Pres. and Mgr. Directors.

United States Statement, January 1, 1897.

Assets	\$1,636,689.35
Surplus in United States	547,731.08

HANOVER FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.



FOR FIRE INSURANCE.
Assets in United States, - - - - - \$3,501,546.71
Net Surplus, - - - - - \$28,655.56

Writing Large Lines on Desirable Risks.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM REEL, WILLIAM WOOD, JOSEPH MARSHALL

WILLIAM H. BALLARD, Branch Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?

SUBJECT TO THE
INVALUABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS: **UNION** Incorporated 1845.
Tontine
Assess Divi- **MUTUAL** Reliable
dual or **LIFE** Agents
Receivable Insurance Always
Term. **Company.** Wanted.

FRED S. RICHARDS, President. PORTLAND, MAINE.

ARTHUR L. BATES, Vice-Pres.

Address either: EDWIN D. SWIFTFIELD, Sup't, 110 American Trust Building,
161 Nassau Street, S. Y. City.
THOMAS C. CHASE, Sup't, 34 Adams Street, Chicago, Ill.

CALEDONIAN INSURANCE CO. OF SCOTLAND. Founded 1805.

"THE OLDEST SCOTTISH INSURANCE OFFICE."

United States Head Office, 27-29 PINE ST., N. Y. CITY.

STATEMENT, JANUARY 1st, 1897.

Assets	\$5,101,125
Liabilities	1,175,861
Net Surplus in the United States	\$323,575

CHARLES H. FOST, U. S. Manager. S. A. McNEIL, Assistant U. S. Manager.

Bankers' Life Insurance Company OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.

Home Office, No. 51 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the
BANKERS' LIFE are simply business contracts for pure life insur-
ance, and are free from objectionable clauses usually embodied
in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.



The Best Policies, The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$703,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1814.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1907.

Assets, = \$462,179.22
Capital and Net
Surplus, = 316,876.77

ROBERT M. WILSON, President
EUGENE D. WINTER, V.-President.
S. W. BROWN, Sec'y.
CHAS. F. POORE, Genl. Agent,
No. 104 La Salle St., CHICAGO.

NEW YORK UNDERWRITERS AGENCY

(INCORPORATED)

ESTABLISHED 1864.

Local Agents in all Prominent Localities in the United States.

Office: 100 William Street, New York.

A. & J. H. STODDART, General Agents.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
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LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1852.

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American Surety Co.,

100 BROADWAY, NEW YORK.

Bonds issued for Employers, Administrators, Guardians and in Judicial Proceedings.

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H. B. Lyman,	John A. McVick,
Henry B. Plant,	Andrew Mills,
Wm. L. Trekholm,	Joe. Schuman,

CAPITAL, " " \$1,500,000.

BONDSMEN GUARANTEED.

Statement, December 31, 1896.

RESOURCES (including capital, \$1,500,000).....	\$5,195,802.78
LIABILITIES (including reserve, \$400,000).....	\$39,190.81

1860—1897.

United Firemen's Insurance Co.,
PHILADELPHIA.

Assets, January 1, 1897, - - - - -	\$1,426,021
Surplus to Policy Holders, - - - - -	502,568
Capital, - - - - -	300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life Insurance Companies of the World!

The Prudential

HAS

Assets, - - -	\$19,541,827
Income, - - -	14,158,445
Surplus, - - -	4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY, AGES, 1 TO 70.
AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well as Industrial business, and offering exceptional advantages to its Policy Holders and Agency Force.

AGENTS WANTED. WHITE

The Prudential Insurance Company

OF AMERICA,

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Provident Savings Life Assurance Society
OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING RECOMPENSATIVE BUSINESS CONNECTIONS
SHOULD APPLY TO THE HEAD OFFICE OR ANY OF THE SOCIETY'S GENERAL AGENTS.Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.*The Guarantors*
LIABILITY-INDemnITY-COMPANY
OF PENNSYLVANIA**CASUALTY INSURANCE.**

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, OCTOBER 1, 1897.

NO. 21.



R. I. P.

NARROW QUARTERS BUT ATTENTIVE ATTENDANTS.

"With malice toward none, with charity for all,"

THE INSURANCE OBSERVER.

PUBLISHED WEEKLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - - \$2.00 per annum.

European Subscription (postage free), - - - - 2.50 " "

Published in Advance.

Single copies, - - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, Editor.

THEY LIE DOWN TOGETHER.

The Western Union has been the recipient of widespread congratulations over the accession of the non-union companies to its ranks. No two more companionable bedfellows ever cuddled together under the same blanket than Mr. R. J. Smith of the Western Union, and Mr. William Trembor, now vice-president of the association. Mr. Trembor has been a lively antagonist of the Union, but we trust he may have pleasant dreams hereafter, although he may find his sleeping accommodations rather cramped, and his mate not slow about getting his share of the blanket. Mr. Trembor will have to keep close to Mr. Smith if he is to keep his back warm this winter, for that 15 per cent. commission rate has made many a fellow experience cold days, and nights, too. He has hung up his 20 per cent. blanket, probably with the solemn intention of never using it again, but it isn't much the worse for wear, and if the 15 per cent. blanket is too small to go around, he can step out and grab the covering that has done him good service before.

Should Mr. Trembor be troubled with cold feet, the cause of many a disturbance between sleeping couples, Secretary W. W. Dindley may be depended upon to supply the warm bath, and possibly prevent the disruption of the amicable relations now existing. The blanket may seem small, gentlemen, but you can train down to it.

THE GREATER TO INCLUDE THE LESS.

The *Weekly Underwriter* calls attention to a funny mistake in a resolution adopted at the recent convention of insurance commissioners. The resolution reads:

Resolved, That when a certificate of valuation calculated at a higher rate of interest is furnished than is provided by the laws of a state, thereby increasing the reserve liability of the company covered by such certificate, that it is the sense of this convention that such higher valuation be accepted as for the best interests of the policy holder, and in such case no separate valuation at a lower standard be made.

The mistake of assuming that a higher rate of interest in valuing life insurance policies increases the reserve liability is funny in this case because the men who adopted the resolution are clothed with authority in insurance matters, and still funnier because it is just possible that some of the new officials may not have known any better.

AN IF AND AN AND.

Before Judge Williams of the United States Court rendered his decision in the case of the Mutual Life against McNall, ex-Governor Lewelling gave his views to a newspaper man on what might result from such a decision as Judge Williams has rendered. His conclusion was: "If Mr. McKinley should send his marshals to enforce an order of the Court, and Governor Leedy should order out the militia and say, 'To hell with your marshals!' I am not able to figure out what would result." For the information of ex-Governor Lewelling, who is evidently deficient in one of "the three Rs," let us say in the first place that marshals would not have to go to hell even if the other Governor L. invited them to go; there is no law for it; and anyway, if they went they might only be renewing their quarrel with the Governor at some future time. In the next place, Governor Leedy and his militia having undertaken the task of enlarging the population of the Kansas annex, would never know what struck them after Mr. McKinley had called out the little boys in blue.

LOWER COMMISSIONS AND LOWER PREMIUMS.

A general reduction in rates is said to be contemplated by the Governing Committee of the Western Union, the reduction to cover the entire Western field. No surer way of making the 15 per cent. commission sick could be desired, for low rates and high commissions are not indigenous to the same soil. The object of the proposed reduction is acknowledged to be the clinching of the 15 per cent. commission rule, and the agents are bound to view with consternation the burning of their candle at both ends. The abandonment of the cut-throat policy, however, will leave the agents better off, even with their commissions figured on a lower rate of premium. The success of fire underwriters in this may suggest to life insurance companies the way out of their troubles, for bad as has been the fire business, life insurance has been worse in the matter of paying too dearly for the whistle.

DID THE A. P. A. DEAL DO IT?

Is it possible that the A. P. A. is a hoodoo? Here, only a few weeks ago we were regaled with highly flavored and beautifully illustrated literary productions in certain insurance papers dealing at length with the Napoleonic genius and handsome features of President Nixon of the Eastern Insurance Company. Small wonder, for had he not, with his little Eastern Mutual Life Insurance Company, not yet out of long clothes, gobbled up the whole A. P. A., and scooped millions and millions of unwritten insurance. It was a masterly move indeed, and it was proper that the genius which accomplished it should receive due recognition, and it got it.

Now it is announced that the Eastern Mutual Life is seriously considering the question of retiring from business, and that the directors have decided to recommend to the stockholders that the company reinsure and liquidate. If the A. P. A. survives this blow it must have as many lives as a cat, for it has been killed several times before. But why should the Eastern liquidate with so many millions of new business obtained with a mere stroke of the pen. Could not the Eastern stand so much prosperity, or has President Nixon decided to flock by himself and take his A. P. A. insurance with him?

BATTERSON AND McNALL.

There are a good many miles between Topeka, Kan., and Hartford, Conn., and hot as is the correspondence between Commissioner McNall of the first named place and President Batterson of the last named place, it is possible that before those gentlemen annihilate the distance that now separates them, they may discuss their differences in cooler blood. It appears from the letter Mr. McNall wrote to Mr. Batterson on September 13th, that the former gentleman has learned something from experience and is paying more attention to the law than he seemed to think was necessary when he first cast his leg over the saddle.

Mr. McNall refers Mr. Batterson to sections 11, 12 and 15 of the insurance laws of Kansas to find "the authority of the Superintendent of Insurance of this state (Kansas) to make an investigation whenever he has reason to believe," etc.; also that section 15 provides "that the expenses of any examination made under this act shall be paid by the company examined, if, in the judgment of the Superintendent, reasonable cause exists for such examination." Finally, Mr. McNall announces that the Kansas department purports to examine the Travelers at the expense of the company, "and that it makes no difference to this department whether your board of directors decides to allow this investigation to go ahead or not." He concludes with the advice "that whatever action your board of directors decides to take, my advice is that it would better act promptly."

Shades of Handy Andy! Was ever such a blister served to an O'Grady and the offender live? The Kansas potentate mistakes the mild manner of the modest gentleman who manages the affairs of the Travelers by and with the advice and consent of his directors. Surely he little understands the dignity and power of the directors of the Travelers, if he thinks that he and Mr. Batterson can go ahead and have an investigation of the company without first obtaining the permission of the directors. But Mr. Batterson has informed him on that point: "I beg to inform you now and once for all that no important step will ever be taken by me without the advice of my board." Don't think that is a joke, Mr. McNall, for Mr. Batterson is a serious man and is always as meek as Moses when his board is around, because—well, because it is his nature to.

Mr. Batterson makes a strong argument in his reply to Mr. McNall why his company should not be examined, but it is not so convincing on the point why it can not be examined. The Kansas law seems to back the superintendent up, for everything seems to be lodged in the judgment or discretion of the insurance superintendent without any requirement that he should possess either. Mr. Batterson says: "I am aware that under the section you quote 'the superintendent can investigate whenever he has reason to believe,' etc., etc., but the reason must exist in honor and not caprice." We think Mr. Batterson is wrong there, although there is no question that it ought so to exist. He is justified in "denying absolutely that there is any ground for your (McNall's) suspicion." Still, if McNall chooses to suspect, the state gives him the authority to make an investigation.

In the matter of frankly expressing personal opinions, Mr. Batterson easily holds his own with his Kan-sas-sian opponent, and his concluding remarks have no doubt made Mr. McNall's milk of human kindness turn to vitriol. The veteran insur-

ance man presents his compliments to the newly fledged insurance superintendent as follows:

"We have heard of your efforts to get other superintendents to join you in the enterprise of raising an intangible 'suspicion' as to the solvency of all Eastern insurance companies at their own expense, and I am glad to believe that their self-respect has induced them to let you try the experiment alone."

"We are trying hard to recoup some of our losses on Kansas investments by rigid economy and new wheat; to that end I am compelled to suggest that if you make us a visit, glad as we shall be to see you, we will probably be unable to pay your heavy expenses which would engender the 'suspicion' at other points costly to ourselves, and of no benefit to anybody but the investigator."

Mr. McNall has replied to Mr. Batterson's letter saying that if the directors do not desire an investigation, "from that date your company will cease doing business in this state, and it is no difference to this department how much your board of directors decides." As an excuse for his "suspicion" of the solvency of the Travelers, McNall parades the real estate holdings of the company in Kansas and elsewhere. He quotes from the report of the company to show that it owns \$1,953,756 of real estate, "which is required to earn interest at 4 per cent. per annum as a protection to the policy holders in your company," and alleges that the rentals in the past three years were \$61,590 less than the expenses.

The Kansas superintendent made a bad mess of this and Mr. Batterson promptly exposed his ignorance in a stinging letter under date of September 27th. After referring to the "rank examples of bad faith, bad taste and bad English" contained in McNall's letter, he proceeds to show the absurdity of the allegation that the company has overvalued its real estate holdings. The real estate in Kansas valued in the company's report at \$565,365.12, Mr. Batterson says was appraised at \$1,713,425 by Kansas citizens under oath, and after the property came into the possession of the company the public assessors, also under oath, assessed it for taxation at \$193,738, about one-third of its actual value.

Mr. Batterson invites Mr. McNall to tell where he finds the requirement that the company should earn 4 per cent. or any per cent. on its real estate investments. The company is bound to earn 4 per cent. on the legal reserve, which is \$15,000,000, and the Travelers earned 5.31 per cent. on its total assets including real estate, and 5.31 per cent. on the reserve. Mr. Batterson adds:

"There is no prohibition against our holding government, state or municipal bonds, because they will not produce 4 per cent., neither is there any law against the temporary holding of Kansas real estate because it earns nothing, and will be sold on favorable opportunities. The trouble comes when in the general average on all investments we do not earn 4 per cent. on the premium reserve. Our interest earnings are of no concern to you as affecting the soundness of the company, unless the sum total of interest and rents are not equal to 4 per cent. on the amount carried so reserve."

As to the deficit in earnings in real estate in the past three years, Mr. Batterson makes the correction that it was \$58,590 and not \$61,590 as stated by Mr. McNall, while \$77,790 of the expense was for taxes, showing a valuation by the assessors equal to that made by the company.

But Mr. Batterson disposes of all of Mr. McNall's pretensions as to the effect of depreciation in the value of real estate upon the solvency of the company as follows:

I desire now to call your attention to the fact that if you strike out all of our real estate wherever located as worthless, there is still left a surplus of over a million dollars without it, that:

Surplus, December 31, 1896.....	\$2,076,424.36
Deduct real estate.....	1,953,756.09
Surplus remaining.....	\$1,022,668.27

You cannot, therefore, in good faith say "you are in the worst" of the soundness of this company because of real estate which has declined in value, nor because the interest earnings are not largely in excess of legal requirements. These are the only points you have made, and you are sadly in error as to both. The main course is to acknowledge your error, and gain credit for that.

When Mr. McNall emerges from Mr. Batterson's threshing machine he will have more experience, and, it is to be hoped, more sense.

THE TONTINE SURPLUS.

The question to whom does the surplus on tontine policies belong is not a new one, and it may not be one that the insurance companies which issue such policies are anxious to answer. However, the *Weekly Underwriter*, whose authority on intricate points of insurance law, fact and history cannot be challenged and always commands our respect, answers it without apparently caring whom the truth may hurt. To our contention that the surplus accumulated on tontine policies belongs to the tontine policy holders and not to the general body of policy holders, our contemporary replies:

We cannot say what tontine policy holders have been led to believe, because we cannot vouch for the strict truthfulness of all life insurance agents, but we have seen no statement from any company that could possibly convey the belief that tontine policy holders were entitled to all the surplus on their own policies and also to a share in the surplus earned upon others. That would give the gamblers an undue advantage. They have gone out from the general body of policy holders for the specific purpose of gambling with their surplus, or, if you will, putting it into a pool to be divided after the race. Shall the rest of us guarantee that it shall remain intact, and that we will pay all losses out of our own money? Not if we know ourselves. The tontine policy promises at the end of the tontine period the entire reserve, and a share of the accumulated surplus derived from policies on the tontine plan, as may then be apportioned. If we should tell the editor of *THE INSURANCE OBSERVER* to come around in twenty years, if he was alive, and we should share our surplus earnings with him, how would he go to work to estimate a liability with which to charge us ten years hence? Tontine policy holders are entitled to nothing but the reserve, and a fair accounting at the end of their term of such surplus as may have been derived from their own and other policies in their class.

The practical question which the *Weekly Underwriter* puts to the editor of *THE INSURANCE OBSERVER* will engage our attention first. Were we to receive such an offer for a good and valid consideration, and the party of the first part conducted its business in an honest and intelligent manner, we should be constrained to wait the twenty years to see what we were to get. On the other hand if we found that the party of the first part, having accumulated a large surplus, proceeded to dissipate it in riotous living, or took another partner into the concern and bestowed on him in gratuities the money which should rightly come to us, we should at once engage a lawyer to apply for an injunction or a mandamus or do some other profane thing with a view to preventing the wasting of the estate in which we had a vested interest. Of course, if there was only a gratuitous promise to give us a share in the surplus earnings, we could not do anything either in ten years or in twenty years, but tontine policies are not gratuitous promises; they are issued for a consideration, and whether they promise anything or not is the point that is in issue.

In admitting that "they (the tontine policy holders) have gone out from the general body of policy holders for the purpose of putting it (their surplus) into a pool to be divided after the race," the *Weekly Underwriter* concedes the very point that we are urging. Being out of the general body of policy holders, and their surplus being in a separate pool, the tontine policy holders have a right to insist that their "pool" shall not be gobbled up by the general body of policy holders, or be paraded as a surplus of the company. And if tontine policy holders "are entitled" to "a fair accounting at the end of their term of such surplus as may have been derived from their own and other policies in their class," they are also entitled to have that surplus set apart and kept apart from the surplus that belongs to other policy holders, so that there will be no difficulty in securing "a fair accounting" when the day of settlement arrives.

Further, until Superintendent Pierce in 1894 changed the method of stating the surplus, every superintendent since 1875,

Smyth, Fairman, McCall, Maxwell and Pierce, made a separate classification of the surplus belonging to the tontine and deferred dividend policy holders. For the five years, 1875 to 1879 inclusive, this surplus was described as "estimated surplus accrued on tontine or other policies where the profits are specially reserved for that class of policies." From 1880 to 1885 inclusive it was described as "exclusively belonging to tontine policy holders." From 1886 to 1891 the same description was used as in 1875-9, except that after 1888 the Equitable surplus was reported (1) "Surplus accumulated under any form of policy, by the provisions of which the payment of dividends is deferred for any period exceeding one year;" (2) "Surplus accrued upon all other policies." In 1892 the surplus of the New York Life was reported in this way also.

From 1887 to 1892 the New York department classified the surplus of the Northwestern Mutual, (1) "Surplus due on tontine stipulations (being only a part of the undivided surplus derived from tontine and semi-tontine policies);" (2) "General surplus on tontine, semi-tontine and ordinary policies."

In 1893 a new light was seen, however, and for that year and the following the reports show only "gross surplus on policy holders' account," while the reports for 1895 and 1896 have eliminated the policy holders altogether, and "gross divisible surplus" supplanted the old description. That there is more method than madness in the change made in reporting the surplus may be inferred from the remarkable increase in "surplus accrued on tontine or other policies, the profits upon which are especially reserved for that class of policies," while the surplus "on all other policies" decreased. The following statement shows the two classes of surplus as reported by the New York department yearly from 1875 to 1892, for the two leading tontine policy companies, the Equitable and the New York Life:

	Equitable		New York Life	
	Tontine surplus.	Other surplus.	Tontine surplus.	Other surplus.
1875.....	\$1,000,000	\$3,009,000	\$308,139	\$5,357,358
1876.....	2,193,577	2,442,596	517,595	5,663,406
1877.....	2,589,910	3,166,943	798,395	5,485,539
1878.....	3,102,462	3,386,325	1,041,457	5,758,112
1879.....	3,550,550	3,661,363	1,371,632	6,137,065
1880.....	4,283,230	4,039,060	1,754,166	7,500,660
1881.....	4,611,159	5,152,791	2,054,444	7,720,674
1882.....	4,915,252	5,588,140	2,091,372	7,620,095
1883.....	5,609,213	5,901,346	2,236,096	8,056,875
1884.....	7,115,997	6,716,255	2,813,707	7,362,777
1885.....	9,551,969	6,840,180	3,123,743	80,094,704
1886.....	11,821,003	7,610,784	4,176,425	11,372,404
1887.....	12,186,918	8,502,410	5,315,741	6,513,072
1888.....	13,812,403	9,515,419	6,413,777	7,145,124
1889.....	15,974,043	9,100,018	7,705,453	7,000,100
1890.....	16,846,143	4,664,128	8,070,540	6,308,507
1891.....	10,350,512	4,023,874	9,757,121	5,383,000
1892.....	24,336,146	4,600,187	10,979,784	1,905,185

* Revenues changed from 46¢ to a per cent.

While Superintendents Fairman and McCall described the surplus in the first and third columns as "exclusively belonging to tontine policy holders," it includes the profits on deferred dividend policies also. After examining the above table, however, the *Weekly Underwriter* might ask itself the question whether "the rest of us" are not anxious to get at that "tontine pool" and swell their own meagre profits. The contempt which the *Weekly Underwriter* feels for "gamblers" is pardonable, but even a gambler is entitled to fair play, and as it takes two to gamble, it seems to us that the insurance company which deals the cards should not be permitted to stack them, or deal from below. The "actual results" with which the tontine book is baited are quite as effective as "predictions" in catching the unwary, and they make it unnecessary for agents to depart

from "strict truthfulness" when they angle with so tempting bait.

We are aware of the deep significance of the point made by our contemporary that the *tontine* policy promises to pay at the end of the *tontine* period such share of the accumulated surplus derived from policies on the *tontine* plan, as may then be apportioned. This may be construed to mean that an insurance company may apportion just as little of the surplus as it sees fit, and there are policies which permit no other interpretation. The popular view, however, is that all the surplus accruing upon policies in any *tontine* class is to be divided equally among the surviving and persistent members of that class. This is the interpretation of the Standard dictionary, which defines a *tontine* policy of insurance as follows: "A life insurance agreement under which it is stipulated that no dividend or returns of any kind shall be made from the premiums paid in for a certain number of years, called the *tontine* period, after which the fund, with all its accumulations, is to be divided among such as have kept their insurance in force."

The Century dictionary defines it: "A policy of insurance in which the policy holder agrees in common with the other policy holders under the same plan, that no dividend, return premium, or surrender value shall be received for a term of years called the *tontine* period, the entire surplus from all sources being allowed to accumulate to the end of that period, and then divided among all who have maintained their insurance in force."

This may be considered an antiquated notion, but some of the policies issued by the Equitable contains the following stipulation: "That all surplus or profits, derived from such policies on the *tontine* savings fund assurance plan, as shall cease to be in force before the completion of their respective *tontine* dividend periods, shall be apportioned equitably among such policies as shall complete their *tontine* dividend periods." More modern policies seem to permit the interpretation that the companies agree to pay what they like and the *tontine* policy holders bind themselves to take what they can get, but we "have seen no statement from any company" that even hints at the possibility of its *tontine* policy contracts bearing such a construction, yet we suspect that the *Weekly Underwriter's* view on that point is very nearly correct.

If it be wrong, however, and it is the intention of insurance companies to divide fairly and equitably among the surviving policy holders of each *tontine* class all the accumulated profits derived from the policies of that class, the proper thing for them to do is to report those profits not as a general surplus, but as surplus belonging to their *tontine* policy holders, just as they did for eighteen years prior to 1893. That surplus may be charged with subsequent losses or expenses properly falling upon that class of policy holders, but there is neither sense nor justice in charging it with losses or expenses for which "the rest of us" are alone responsible. Because it is possible that the surplus belonging to policy holders may be reduced in future years, it does not follow that any company should treat it as though it were wiped out altogether and transfer it to its own general account. The company owes its *tontine* policy holders all the surplus that has accrued on their policies up to date; whether that surplus shall be greater or less in years to come or when the account is to be settled finally cannot alter the fact that the debt exists. A promissory note is a debt until it is paid or outlawed. For a company to report a surplus of \$30,000,000 when all but \$5,000,000 of it

belongs to a special class of policy holders, who have agreed to wait a certain length of time before claiming what is due them, is to misrepresent absolutely the financial condition of the company.

MANHATTAN LIFE'S NEW POLICY.

So many contingencies happen in the short limit of a man's life that no man can safely lay down a fast and sure rule to govern his future actions. In no field more than insurance has the necessity of formulating plans that will flexibly adjust themselves to events, whether they happen unexpectedly or as anticipated, been recognized. It is in recognition of this necessity that the Manhattan Life has prepared a new policy, and incorporated in it provisions that insure its adaptability to every condition in which the insured is likely ever to find himself. In short, it answers every possible need of the person who wants good and sure insurance.

The new policy has been aptly denominated the "Survivorship Dividend Policy." It is free from complex conditions, and states plainly the obligations which the company assumes. The policy is issued as ordinary or limited-payment life. After the first year the company will loan liberally on the policy at 5 per cent. per annum, the policy stating explicitly how much will be loaned on each anniversary of the policy.

In case of default in any premium payment after three annual premiums have been paid, and the surrender of the policy within six months after default, a non-participating paid-up policy will be issued for such sum as the legal reserve applied as a single premium will purchase; or on receiving notice thirty days before the premium is due, the company will extend the policy for as long a time as the reserve will carry. The policy contains a table of paid-up and extended insurance values, so that the holder knows exactly what he can get whenever he chooses to avail himself of the privileges set forth in the policy.

At the expiration of the dividend-paying period, the insured may draw the dividend in cash or apply it to the purchase of a life annuity, or to purchase additional paid-up insurance. Or he may surrender the policy and receive in cash the entire cash value guaranteed reserve and dividend, or in lieu of cash a life annuity or paid-up insurance without a medical examination. Should he decide to continue the policy, dividends will continue to be apportioned to it. The policy becomes incontestable after two years for any misstatement in the application except as to age, and in case of suicide the legal reserve at the time of death will be paid.

The merit of this policy is two-fold: It gives the insured the choice of alternatives which best suit his needs, and it states plainly what the policy holder will receive at any time he chooses to avail himself of his privileges during the entire life of the policy. The Manhattan's "Survivorship Dividend Policy" is a very attractive policy and should bring to the company a large amount of new and permanent business.

"THE BOY LIED."

The widow's mite who passes the matter that goes into the *Chronicle's* columns should stick to tea and truth. The *Weekly Underwriter* did not say what the *Chronicle* says it said: "The current number of a local insurance bi-monthly has a good portrait by Nant," etc., but it did say "The current number of THE INSURANCE OBSERVER has a good portrait by Nant," etc. The rule that children and fools speak the truth is proven in both instances by the exception in this case.

RESURRECTED.

Richard Tate, the defaulting treasurer of Kentucky, is reported to have been born again. Failure of his heirs to collect Tate's life insurance convinced him that life was worth living in Brazil if not in the United States. Tate ought to have entrusted the collection of his death claim to McNall of Kansas. He might not have realized any more, but he could have made it more interesting for the insurance monopolies.

DISSIPATING DEAD MEN'S ESTATES.

The Receiver of the United Life Insurance Association has begun a suit against the National Life Association of Hartford to recover \$250,000, the estimated value of the good will transferred to the latter by the management of the former. The allegations made by the Receiver, whether they can be supported by evidence or not, bear the stamp of plausibility at least, for such things have been done in similar cases before and there is reason to believe are being done now. The Receiver declares that the National Life Association made some arrangements with the officers of the defunct association before the latter went into the Receiver's hands. The counsel for the Receiver says that when the Receiver took possession he made a thorough investigation of the books to see what had been paid by the National Life for its good will of the business acquired by it. To his surprise he found no record whatever of anything ever having been paid for it. He found that several other insurance companies had expressed themselves as willing to pay a handsome price for the good will. The Receiver, Mr. McKean, consequently decided to bring suit against the National Life for \$250,000, the value of the entire good will acquired by it. The complainant avers:

That the individuals who disposed of this good will to the National Life did not own the association's rights in the matter; that the pretended transfer and assignment was made and executed by the officials and agents of the United Life Insurance Association, and received by the agents of the National Life with intent on the part of both to cheat and defraud the members of the United Life Insurance Association out of property of the value of \$250,000.

It is also stated by the counsel of the Receiver that when the latter took charge of the United Life he found that all the applications, with the names and addresses of policy holders; the policy register, containing a complete record of all the policies, and assessment register, containing a full and complete record of all the assessment accounts, were all missing from the office of the United Life as well as the books and other memoranda, and that they were in the possession of the National Life. The Receiver, after getting an order from the Court, succeeded in getting some of the documents back after they had been copied, but the most important never were returned.

The officers of the United Life had no authority so to dispose of the property of the association, and the Receiver is now anxious to discover what consideration was paid for the transfer to the National Life. General Manager Freeman of the National Life is reported as saying:

"I myself negotiated the transfer, and I had the approval of the authorities in Albany. We got about \$2,000,000 or \$3,000,000 of business out of it. Instead of an income of \$150,000, I don't think the United had more than \$107,000. We received nothing in the shape of assets from the United Life, and we made no arrangement of any kind with any of its officers."

There is a remarkable conflict of fact in this statement, and Mr. Freeman may find it difficult to explain satisfactorily how he "negotiated the transfer," yet "made no arrangement of any kind," how he "got about \$2,000,000 or \$3,000,000 of business," yet "received nothing in the shape of assets."

Getting away with the clothes of a dead man because he has no further use for them is considered a crime in all civilized countries, and it is time that there was a judicial determination of the question, whether the officers of a company in *artibus moris* can appropriate the records and good will of the remains and sell them or give them away without any account being made to the administrator of the estate.

OBSERVATIONS. I

"An insurance office on Liberty Street is advertised to let elsewhere to-day," says the *Journal of Commerce*. Will our contemporary kindly furnish a diagram showing the new location?

When the papers get through nominating an insurance commissioner for Massachusetts, Governor Wolcott will probably try his hand at it and with greater success. There is one advantage in making predictions: you have only to make enough and you will hit it right.

The old associates of ex-Commissioner Merrill in the Insurance Department of Massachusetts have presented him with a silver loving cup accompanied by a friendly letter. When Major Merrill read the reference to the "assessment plan" it must have made his funny bone tingle.

California Commissioner Clunie has missed fire on his plan of making the Equitable, Home and other life insurance companies increase their capital stock or get out of California. The Attorney-General of the state says there is no law for it. What an ass the law is anyway.

"Hane, why did you take off your hat to that man?"

"Dot man vas mein sheevehart mit de golden hair's fider."
—*Chicago Tribune*.

The question of increasing the salary of the Insurance Commissioner of Massachusetts is being hotly agitated. Better "bide a wee." Any salary would be too much for some kinds of commissioners. Some of the papers which now have only severe criticisms for the late commissioner of Massachusetts at one time thought the State could not pay him enough for his valuable services.

A high officer of the Royal Arcanum died recently, and his beneficiaries will get \$3,000 from the order. The time will come when the rest of the brethren will be filled with envy.

A cut in the premiums on the plate glass insurance of the Fair at Chicago from \$1,300 to \$425 is a glass breaking affair, and the Union Casualty is charged with making the smash. People in plate glass insurance houses should not throw stones.

"Hannah," said the mistress to her new girl, "you can take that brown serge dress of mine and put it in soak."
"Yem," said Hannah, "who's your favrite pawnbroker?"
—*Household Words*.

The *Insurance Counselor* publishes a list of "eye donts" containing many valuable hints concerning the care of the eyes. The cydeas is a good one, but there is a fatal omission. How to disguise black eyes is not explained. That would interest some insurance men at once.

Webb McNall remarks that it is time Kansas was getting rid of "snide" insurance companies. That is all right, but if McNall succeeds in driving out the companies that are not "snide," it will be a case of "everything goes," in Kansas.

Cohenstein: "Vot vas you grying for, Ikey?"

Ikey: "I haf losdt dot oder nickelt, fader."

Cohenstein: "Vot! Another von? Mein crashous! Repecca, af I dond's sometimes dink dere msndt pe Chentile bloodt somevare in your famly!" — *Puck*.

The Caledonian Insurance Company, it is understood, contemplates organizing an American company. That may be the result of Manager Post's recent mission abroad. At all events the Caledonian won't be left, whether the British Lion or the American Eagle comes out ahead. Yet these American annexes are seriously complicating the protection idea.

The cashier of the Copenhagen office of the Mutual Life is charged with embezzlement. It is strange that the company should have employed a man whose unaccounted views on the money question were thinly disguised in the name Silverberg. Try Goldstein as his successor.

The Canadian creditors of the Massachusetts Benefit are smiling all over. The \$100,000 deposit in Canada will pay all the claims in full, and the Canadian government will hang on to the deposit for that purpose. Going to Canada has its disadvantages as well as its advantages.

National Fire Insurance Company, HARTFORD, CONN.

JAMES NICHOLS, President. E. G. RICHARDS, Secretary.
B. R. STILLMAN, Assistant Secretary.

Head Office, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT, General Agent,
FRED E. JAMES, 174 La Salle Street, Chicago.
H. W. BLOOMSBOM, Assistant General Agent.

PACIFIC DEPARTMENT, Manager, Assistant Manager,
GEORGE B. DORNIN, 400 California Street, San Francisco.
GEORGE W. DORNIN, Assistant Manager.

Royal

INSURANCE COMPANY
(FIRE)

Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,
JANUARY 1, 1897.

Assets,	{ held in the U. S. for the special pro- tection of the American Policy Holders. }	\$7,481,311.62
Liabilities,	- - -	5,126,654.72
Net Surplus,	- - -	\$2,354,656.90

Agencies in all the Principal Cities, Towns and Villages in the United States.

The Liverpool and London and Globe Insurance Company.

UNITED STATES STATEMENT, DEC. 31, 1896.

Assets,	- - - - -	\$9,389,545.33
Liabilities,	- - - - -	5,246,085.00
Surplus,	- - - - -	4,093,460.33

New York Office, 45 WILLIAM ST.

H. W. EATON, Resident Manager.
GEO. W. HOLT, Deputy Manager.
JOHN J. MARTIN, Agency Rep.

THE LEADING Industrial Insurance Company OF AMERICA.

CANVASSERS WANTED

IN ALL PRINCIPAL CITIES OF THE
New England, Middle and Western States, and Canada.

METROPOLITAN LIFE INS. CO. OF NEW YORK.

PLAN OF INDUSTRIAL INSURANCE.

This plan embraces all the members of a family, male and female, between ages 2 and 70. Premiums from five to sixty cents per week. Claims paid immediately at death. Premiums collected weekly from the homes of policy holders. Bonuses range from \$15 to \$1,000 and upwards. All needed explanations will be furnished upon application to the Company's Superintendents in any of the principal cities, or to the Home Office in New York.

JOHN R. BEGEMAN, President.
HALEY FISKE, Vice-President. GEORGE H. GASTON, 2d Vice-President.
GEORGE B. WOODWARD, Secretary.
J. J. THOMPSON, Cashier & Assistant Secretary.
JAMES M. CRAIG, Actuary.
THOMAS H. WILLARD, M. D., Medical Director.
STEWART L. WOODFORD, Counsel.

JAMESON & FRELINGHUYSEN,
General Agents and Managers,
40 & 82 WILLIAM ST., NEW YORK.


JULY 1, 1897.

GLOBE FIRE INSURANCE CO. Capital, \$200,000. Assets, \$730,164.83. Surplus, \$93,599.54.

INSURANCE COMPANY OF THE STATE OF NEW YORK. Capital, \$300,000. Assets, \$721,335.76. Surplus, \$70,694.73.

BROADWAY INSURANCE CO. Capital, \$200,000. Assets, \$533,313.60. Surplus, \$41,039.

MANUFACTURERS LLOYDS. Assets, \$309,893.09. Security an to Policyholders, \$437,833.09.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,

38 PINE STREET, NEW YORK CITY.

G. W. BASS, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, E. S. SAVAGE,
PRESIDENT. 2D VICE-PRESIDENT.
CHAS. S. WHITNEY, JOHN NAPIER,
VICE-PRESIDENT. SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED),

OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.
It conducts its business at a lower rate of expense than any other company.

S. STANLEY BROWN, GEORGE MURDOCK ENDICOTT,
General Manager, London. Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLCOTT, President Central Trust Co., New York.
ERNST THALMANN, of Leidenburg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Notman, Josine & Mynders, Counselors at Law, New York.

F. E. BASOR, Manager. AD. DORMEYER, Asst. Manager.

THE Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

Assets, - - - January 1, 1896. - \$2,207,696.04
Liabilities, - - - 1,697,914.70
Net Surplus, - - - \$770,041.84

Trustees in the United States.

DONALD MACKEY, Esq., of Toronto & Co.
CORNELIUS N. BLESS, Esq., of Blos, Fabian & Co.
H. J. FAIRCHILD, Esq., of The H. B. Claflin Co.
EDWARD LITCHFIELD, Manager New York Office.
M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserves for Insurance in force, &c.	4,019,199.37
Net surplus	8,864,818.76
Fully-secured surplus	8,864,818.76
Gross assets	7,775,941.18

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.

EDWARD LANNINO, Secretary.

R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.
Western Department, Realto Building, Chicago, Ill.

RESPONSIBLE AGENTS WANTED.

D. LEE STOUT, Presr. J. R. MULLIN, Secy.

THE MERCHANTS' INSURANCE CO.

OF NEWARK, N.J.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS	\$29,496,699.08
SURPLUS	2,694,126.70

The Penn is purely Mutual. Insurance is furnished at exact cost. Its factors—mortality, interest and expense—have all been highly favorable in this company. All policies are absolutely Non-Forfeitable for reserve value, the latter being applied to "Extension" or to "Paid-up," as may be desired. No policies are free from technicalities, and become incontestable for any cause after Two years.

HARRY F. WEST, President.

GEORGE E. JOHNSON, Vice-Pres. JOHN W. HANKE, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. E. C. LIPPSITT, Mgr. of Agents.
JESSE J. BARKER, Actuary. H. H. HALLOWELL, Asst. Sec. & Treas.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS AT MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets	\$232,141.03
Liabilities	189,778.24
Surplus	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

87-103 CEDAR STREET.



ASSETS	\$8,811,186.81
SURPLUS	346,175.66
LOSSES PAID	7,464,926.86

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust. Personal Accident. Fire (Hull, Boiler, Elevator, Employers', Landlords', and Common Carriers' Liability).

OFFICERS.

GEORGE F. REWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDWARD L. HRAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



MUTUAL FIRE INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$25,000.00
Reserve fund and all other liabilities	\$62,175.47
Net surplus	\$7,161.56
Total assets	\$7,045,465.15
Losses paid since organization	4,901,905.50

R. A. LOEWENTHAL, President. AARON CARTER, Vice-President.
W. M. A. FRASER, Secretary. H. W. EAGER, Assistant Secretary.

1850.

1897.

The United States LIFE INSURANCE COMPANY

In the City of New York.

All Policies now issued by this company contain the following clauses:
"After one year from the date of issue, the liability of the company under this policy shall not be disputed."
"This policy ceases on restriction whatever upon the insured, in respect either of travel, residence or occupation."
All Death Claims paid WITHOUT DISCOUNT as soon as satisfactory proofs have been received.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.

C. F. FRALEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y.
WM. T. STANDEN, Actuary. ARTHUR C. PERRY, Cashier.
JOHN F. MUNN, Medical Director.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
E. S. PERKINS, Jr., President Importers' and Traders' National Bank.
JAMES B. FLUM, Leather.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. FURCELL, Assistant Manager.

A. M. THORBURN, Secretary.

COMMERCIAL UNION ASSURANCE CO., (LIMITED) OF LONDON.

Office: Cor. Pine and William Streets,
 NEW YORK.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital.....	\$1,000,000.00
Reserve for unexpired premiums.....	1,714,673.04
Reserve for losses under adjustment.....	87,790.52
Reserve for all other claims.....	29,000.00
Net surplus.....	1,826,463.56
Total assets.....	\$2,614,763.57

REGO SCHUMANN, President.

FR. VON BERNUTH, Vice-President. CHAS. BUYKHAVER, Secretary.
 GEO. B. EDWARDS, Vice-President. GUNTAY KEHR, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

HON. GEORGE A. COX, J. J. KENNY,
 President. Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - -	\$1,636,689.35
Surplus in United States, - - -	547,731.08

HANOVER FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
 UNITED STATES.



FOR FIRE INSURANCE.
 Assets in United States, - - - - - \$9,851,844.71
 Net Surplus, - - - - - 929,455.66

Writing Large Lines on Insurable Risques.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM HELL, WILLIAM WIGG, JAMES MANSON.

WILLIAM M. RALLAND, Branch Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU
 SEEN THE LATEST AND BEST POLICY?
 SUBMIT TO THE
 INVALUABLE MAINE NON FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS: **UNION** Incorporated 1848.
 Tontine
 Annual Div. **MUTUAL** Reliable
 Paid or **LIFE** Agents
 Reasonable Insurance Always
 Term, **Life Insurance Company,** Wanted.

PORTLAND, MAINE.

FRED F. RICHARDS, President.
 ANTHONY L. BATEA, Vice-Pres.
 EDISON D. SCOFFIELD, Sup., 110 American Trust Building.
 Address either 126 Nassau Street, N. Y. City
 THORNTON CHASE, Sup., 11 Adams Street, Chicago, Ill.

CALEDONIAN INSURANCE CO. OF SCOTLAND. Founded 1805.

"THE OLDEST SCOTTISH INSURANCE OFFICE."

United States Head Office, 27-29 PINE ST., N. Y. CITY.

STATEMENT, JANUARY 1st, 1897.

Assets, - - - - -	\$2,161,183
Liabilities, - - - - -	1,178,801

Net Surplus in the United States, - \$929,382

CHARLES H. POST, U.S. Manager N. A. McNEIL, Assistant U.S. Manager.

Bankers' Life Insurance Company OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.

Home Office, No. 31 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the
 BANKERS' LIFE are simply business contracts for pure life insur-
 ance, and are free from objectionable clauses usually embodied
 in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1854.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1897.
Assets, \$492,179.22
Capital and Net Surplus, 316,875.77

Frederic H. Winslow, President
Dwight D. Woodruff, Vice-President
S. W. Benson, Secretary
Chas. F. Peters, Gen. Agent,
No. 114 La Salle St., Chicago.

NEW YORK UNDERWRITERS AGENCY

ESTABLISHED 1866.

Local Agents in all Prominent Localities in the United States.

Office: 100 William Street, New York.

A. & J. H. STODDART, General Agents.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS, E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.

Bonds Issued for Employers, Administrators, Guardians and in Judicial Proceedings.

W. L. TRENHOLM, President.

HERSH D. LITVIN, Vice-President.

Resident Trustees, New York.

Wm. A. Wheelock, Henry H. Cook,
 F. W. Vandergrift, Wm. B. Kendall,
 Cornelius K. Ryan, Wm. Lowry,
 C. B. Livingston, John Hoyt,
 Daniel G. Rollins, C. L. Toffey,
 Walter S. Johnston, G. S. Edgely,
 Wm. Nelson Greenwell, Wm. A. Nash,
 Chas. M. Dwyer, Willis C. Paine,
 John E. Kearles, W. B. Girard,
 E. F. Brownrigg, James A. Hayden,
 Geo. F. Vance, John A. McCall,
 H. D. Lyman, Andrew Mills,
 Henry S. Tiant, Jas. Sullivan,
 Wm. L. Trenholm.

CAPITAL - - - \$7,500,000.

BONDSMEN SUPERSEDED.

Statement, December 31, 1896.

REQUIREMENTS (including capital, \$5,000,000) - - - \$5,125,593.70
 LIABILITIES (including reserves, \$2,700,000) - - - \$26,194.91

1880—1897.

United Firemen's Insurance Co.,

PHILADELPHIA.

Assets, January 1, 1897. - - - \$1,428,021

Surplus to Policy Holders. - - - \$52,568

Capital. - - - \$300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

One of the Leaders amongst the Great Life Insurance Companies of the World!

The Prudential

HAS

Assets, - - - \$19,541,827

Income, - - - 14,158,445

Surplus, - - - 4,034,116

LIFE INSURANCE FOR THE WHOLE FAMILY. AGES, 1 TO 70.
 AMOUNTS, \$15 TO \$50,000.

Premiums payable Weekly, Quarterly, Half-yearly, Yearly.

The New Industrial Policy is Profit Sharing.

An aggressive, progressive Company, writing Ordinary as well as Industrial business and offering exceptional advantages to its Policy Holders and Agency Force

AGENTS WANTED. WRITE

The Prudential Insurance Company

OF AMERICA.

HOME OFFICE, NEWARK, N. J.

JOHN F. DRYDEN, President.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REPRESENTATIVE BUSINESS CONNECTIONS,
 MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.

Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.

Net Surplus, \$333,279.19.

The Guarantors
 LIABILITY-INDemnITY-COMPANY
 OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, OCTOBER 16, 1897.

No. 22.



A POINTER FOR OTHER ASSOCIATIONS.

"Mr. Snow has been very successful in getting signatures to the new constitution of the Suburban Underwriters' Association. Everybody signed with alacrity."

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

54 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - - \$2.00 per annum.

European Subscription (postage free), - - - - 2.50 " "

Paid in Advance.

Single copies, - - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

AFTER "TO-MORROW" WHAT?

"If you knew that you would die to-morrow would you not insure your life for the benefit of your family if you could?"—*Royal Arcanum Guide.*

We won't stop to discuss the morality of the act of insuring one's life in full knowledge of the fact that in 24 hours death is sure to ensue. But anyone not troubled with conscientious scruples on that point, might, if he were sure of dying "to-morrow," insure his life in the Royal Arcanum or any other old thing, and enjoy one night's comfortable sleep, knowing that he was insured *for the rest of his life.*

The man who is not sure of dying to-morrow, but expects to live a week, or a month, or a year, or ten years, however, should be particular, not only in the matter of insuring his life, but in the selection of the concern which insures him. Royal Arcanum insurance may be good enough for to-morrow, but beyond that a man might as well take his chances on death as on that sort of insurance. A stranger once offered to hold a man's coat for him while the latter engaged in a chase after a thief. The owner of the coat replied: "You might hold the coat all right, but who will hold you?" Before insuring in the insurance orders of the Royal Arcanum type, it is well to know who insures the orders. Insurance for to-morrow is of use only to a very few, but insurance for the whole length of a man's days is the only insurance which most people need. Insure, then, not for to-morrow, but for life.

THE INTER-STATE CASUALTY.

We are not surprised that the Inter-State Casualty Company is writing a large volume of business. The broad lines of liberality upon which its policies are written make it easy for its agents to get the business. Free from complex limitations and annulling conditions the Inter-State policies contain a sure promise to pay, and the man who wants protection gets it. The partial disbursement feature of these policies has greatly increased their popularity, and the Inter-State is to be congratulated on the ability of its management to pilot accident insurance into wider fields of usefulness.

BOW(L)ED OUT.

Superintendent McNall of Kansas, by deputy, knocked at the door of the Provident Savings Life Insurance Company and demanded the right to enter and make himself at home during his good pleasure, to disport among its brie-a-brac and dine sumptuously at its table. President Scott met his self-invited guests and declined to furnish entertainment for Kansas men or beasts. In this Mr. Scott acted wisely. The New York Department has just completed an examination of the company, and pending the publication of the report of that examination, there is no more reason why another examination should be precipitated upon the company than that two requests should be held upon the same corpse. The value of such an examination as that proposed by the McNall peripatetics may be judged from their declared intention to complete it in *two days*. They also confessed that they did not know that the New York Department had just made an examination. It only goes to show how little Mr. McNall knows of the matters in which he is continually meddling.

A DISGRACEFUL EXPOSURE.

Were it not for the inherent merit of life insurance itself, and the high character of many of the officials of life insurance companies, it might be a source of wonder that life insurance has survived the many disgraceful disclosures of dishonesty and bad faith among insurance managers. Of honest mistakes and unwitting errors of judgment, from which life insurance has suffered much, there is no need to speak. It is the exception when they do not occur in the initial stages of all human effort. Science for centuries taught that the earth was flat, and we still speak of the sun rising and setting. But conscious wrong doing and intentional dishonesty are as incongruous in life insurance as in the church. They besmirch the faithful as well as the ungodly.

When there comes a revelation of depravity in the management of a life insurance company, suspicion seizes hold upon the most spotless of characters. We have only to keep in mind the nature of a life insurance contract to appreciate how it is cemented upon confidence. Ultimately it becomes a contract with the dead; from the frozen lips of the insured can issue forth no protest when those for whom he intended to provide are defrauded. The selection of an executor of one's will involves no stronger reliance upon the integrity and faithfulness of a fellow man than does the making of a contract with a life insurance company. To how few a number does the list of our friends dwindle when we come to the point of selecting those whom we can with confidence count upon to administer our estates when we are no longer in the flesh. Yet every insurance company is the administrator of dead men's estates.

What a blow to life insurance is such a revelation as that which is now being made concerning the recent management of the National Life Association of Hartford, Conn. The accusations made against the late president, Dolphin S. Fletcher, are beyond belief, but for the fact that men in similar positions of trust have been proven capable of such acts. Deceit, fraud and perjury are charged against him, and a company with more than 16,000 policy holders is alleged to have been in the control of a dishonest man.

It is alleged that Mr. Fletcher has reported millions of dollars of insurance in force that had been lapsed because of default in

payment of premiums for years, and that when an examination of the association was determined upon by the Connecticut Insurance Department, \$18,000,000 of insurance reported in the annual statements of the association was marked off, nearly 40 per cent. of the total reported in force on December 31st last.

The secretary, H. T. Bramman, who, with the president resigned a short time ago, has admitted that fraudulent statements were made to the department, and says that he was compelled by the president to make them or submit to the loss of his position. Commissioner Betts also charges the president with having made a practice of shaving policies besides making false returns.

While Mr. Fletcher has not yet presented his side of the case, the fact that he has resigned under the circumstances leaves him in a discredited position. Unless he can clear himself, the machinery of the criminal courts should be put in operation against him.

THE PENN MUTUAL SOUVENIR.

The Penn Mutual Life Insurance Company has performed meritorious service in preserving in book form the proceedings of the celebration of the fiftieth anniversary of the company. The event was a memorable one, covering three days, May 25-28, 1897, and the proceedings were of the highest interest. The addresses and discussions covered all of the most important questions in life insurance practice, and the Penn Mutual by preserving the record in permanent form, coupling with it a comprehensive index, has made a valuable addition to the list of useful insurance text books. The introduction presents a history of the company, and the body of the book is well supplied with finely executed illustrations and portraits.

A CONTEMPTIBLE TRICK.

There recently came to our knowledge a transaction which would seem incredible but for the known veracity of our informant. He had been thinking something about taking out insurance on his life, and wrote to an insurance company for some literature. The company, according to the rules laid down in such cases, promptly sent a representative instead of literature to the person in search of light. The representative, after talking insurance for a short time, said to the person he was interviewing: "But you don't want to go into the ——— company" (the one he was sent to represent). "I'll put you in a better company. Let me write you in the ——— company." He then talked the merits of the company which did not send him, and after a few days' work, secured the application, while the company which had been applied to for literature never heard anything more from the man.

It is unnecessary to comment upon the character of such a trick as that. No company can afford to employ such a man, whether he is working for or against it. Such men bring the business of life insurance into contempt and disrepute. It does not seem possible that any company would knowingly employ a man to steal business from a competitor in that way, certainly no company which would resort to such a method to get business deserves the confidence of the insuring public.

The Century Life Association is the name of a new assessment life insurance concern incorporated in Ohio. It will not take a century to end its run if it sticks to conventional assessment lines.

THAT TONTINE SURPLUS.

Editor of THE INSURANCE OBSERVER.

The article on the tontine fund of the great life insurance companies which appeared in your issue of October 1 deals with a subject of most vital interest to the public at large.

Your contention that the tontine fund belongs to the tontine policy holders and not to all the policy holders of the companies is so reasonable that to deny it seems utterly farcical. Even the managers of the companies, anxious as they have shown themselves of late years to escape responsibility for this great trust fund, would not dare openly to contest your position.

The millions of dollars of new insurance issued each year is taken by the insurers with the understanding that the accumulations resulting from the foregoing of present dividends shall be divided among those who own that class of policies. To claim that those accumulations belong to all the policy holders would be to assert that the owners of annual dividend policies, after receiving their dividend earnings, shall be entitled to a part of the earnings of other policies above and beyond the claims of their own contributions to the surplus. Such a claim would be monstrous.

A change of attitude on the part of our three large companies toward the tontine fund has been observable during recent years. I have been for a long time more or less familiar with the affairs of one of these companies, the New York Life Insurance Company, and would like to invite your attention to certain features of its policies and annual statements, which show such a change of attitude by that company.

Until a few years ago that company treated the tontine policies as a separate and distinct class, although it now carefully refrains from doing so.

In the applications for tontine insurance used by the New York Life Insurance Company until 1884, occurred this question: "Has the tontine investment policy been fully explained to you, and do you authorize the company to retain the dividends on the policy heretofore applied for, to place the same in a reserve fund in which you are to participate in accordance with the provisions made by the company regarding policies in the class you have selected, and not otherwise?"

In the application for the policy appeared the following: "That all surplus or profits derived from such policies on the tontine investment policy plan as shall cease to be in force before the completion of their respective tontine dividend periods, shall be apportioned equitably among such policies of the same class as shall complete their tontine dividend periods in the same year."

The annual statements of the same company, which were distributed at large and advertised in the press, acknowledged the liability of the company toward the fund as follows: "Reserved for contingent liabilities to tontine dividend fund, over and above a 4 per cent. reserve on existing policies of that class." In the eight annual statements of January 1, 1883 to 1892 inclusive, the amount added to the fund and the amount paid from it each year were also stated.

In the statement of January 1, 1891, the management seem to have vividly appreciated the value of reticence, for the amounts of additions to and disbursements from the fund are not stated. Furthermore, although the amount of the fund is given, it is for the first time referred to as "estimated."

By the time another year has come around we find that this value and beauty of reticence passed higher still, for the tontine fund is not alluded to at all in the statement of January 1, 1892, which, by the way, is the first one issued after the advent of the present president, Mr. John A. McCall. From that time to the present we hear nothing about the tontine fund in the annual statements of the company.

In the greatly lauded "accumulation" policy of the same company as at present issued, the same careful reticence is observed as to this great fund. No mention is made of it, nor is anything said about a separate administration of the accumulations of such policies. The "accumulation" policy specifically provides that "no dividend shall be apportioned

or paid on this policy before the end of the accumulation period."

Neither in the tontine policies issued during the past twelve years nor in the applications is any mention made of profits from policies which cease to be in force, although such profits constitute especial features of tontine policies.

There being no adequate state supervision of the tontine fund, the officers of the companies administer it as they please, and the policy holders, at the end of their respective tontine periods, receive whatever there may be left of the earnings of their policies, after the officers and other beneficiaries have grown rich from them.

One can but ask, of what avail are our state insurance departments, and of what use are the boards of trustees?

OBSERVER.

NEW YORK, OCT. 11, 1897.

FIDELITY MUTUAL LIFE.

The quarterly bulletin of the Fidelity Mutual Life Association for the three months ended September 30 shows that the association has only to maintain its present pace for the last quarter of the year to show big results for 1897. Gains over 1896 continue to be the rule; the receipts in the last three months were \$435,430, an increase of \$60,474, or more than 16 per cent as compared with the corresponding period of last year. The receipts exceeded the disbursements by \$67,850, and the surplus on September 30 was \$1,613,436, as against \$1,455,436 a year ago. The company paid \$209,170 for losses and claims as compared with \$143,046 in 1896. The expenses were \$158,409, a decrease of \$543. The new business written amounted to \$5,370,400 as against \$5,878,650 last year. The total insurance in force is now \$71,728,669, or \$4,315,000 more than on January 1 last. President L. G. Fosse is making his association a very prominent factor in life insurance, and has demonstrated his ability to get business under the very guns of alert competitors.

WHO GETS IT?

It also being notorious that the late president of the Massachusetts Benefit was, for some weeks prior to the appointment of a receiver, offering the list of policy holders, both persistent and lapsed, for sale in New York, at a good round sum of money, it will be interesting to many claimants who are doubtful as to what they will secure from the wreck upon their claims, to know whether the unquestionable value which this list of policy holders has from an insurance standpoint will accrue to the association as a part of its resources. Every practical insurance man knows that a list like this, backed by the recommendations of the board of directors and officers of the association to the members, is worth a very large sum of money to any active life insurance company. We have heard the value estimated as high as \$5 to \$10 per name, which in the present case would mean, even with a liberal discount, somewhere between \$150,000 and \$200,000. Such a sum as this would come in very handy in helping pay the death losses outstanding, and as there could be no possible property interest in this list to any one excepting the members of the association, it would, it seems to us, increase very materially the chances of the New York Life securing this business, if it would come out and assure the membership that this profit and value, which does belong to the defunct association, would accrue to it and be employed in helping meet the outstanding claims.—*Boston Evening Traveller*.

AN ENFANT TERRIBLE.

COMMUNICATED.

The New York Life's son-in-law is the *enfant terrible* of insurance. He is still popping out his head from beneath the table cloth to utter some maledroit thing that disconcerts his relatives and amuses their friends. Not, indeed, that the *enfant* has anything to say, but he says it with an air that is embarrassing when it is not grotesque. In his official capacity with the company he is an industrious and, generally considered, useful worker, but in his frequent endeavors to be the oracle of his opinions he arrives at as much absurdity as is possible to any one not trained for the comic stage. This paradox is not so singular as it may seem to be. Many men of approved skill in one direction of effort, lose discretion when they pursue another, and the talents by which they formerly won applause are now employed in their confusion. Therefore, so long as the worthy individual remains faithful to the duties that properly engage him, he is an estimable and inoffensive citizen, but in usurping offices for which he is fitted by neither art nor nature our *enfant* comes to disaster.

Being an earnest person, his entire abilities are devoted to the upmost meter, and the arrival of a new interest immediately stops action on his predecessor. We have had recent and various evidences of the fact that he cannot think and talk at the same time. The two efforts are incompatible. The one interferes with the other. He reminds us of the story Abraham Lincoln told about the steamboat that used to ply its trade along the Sangamon River. This craft was small but ambitious. It had a five foot engine and a seven foot whistle, but not enough steam for both. Therefore, every time it whistled it stopped.

After his Massachusetts Benefit campaign, which in many particulars resembled that undertaken by Don Quixote against the windmill, our *enfant* couched his lance once more and hurled himself impetuously against the *Boston Herald*. That was a much more dangerous venture than the purchase of advertising space in our daily newspapers for the publication of a bogus telegraphic despatch. The *Boston Herald* is a powerful journal. It is edited by men of intelligence. It is read by and represents the thought of the best New England people. The opinions expressed by this conservative newspaper are accepted and approved by the public. Why, then, should it be correct on all other matters and incorrect in its conception of the business of life insurance? In the issue of August 25th, the *Herald* made these sensible remarks:

"There is, however, this to be said of these assessment associations, that so long as they last they furnish life insurance protection upon exceedingly favorable terms. If one is not seeking payment of a fund after death, no matter at how advanced an age death may occur, but is simply looking for the protection of the family during a period of fifteen or twenty years, of youth and middle age, when children are in a condition which makes it impossible for them to support themselves in the event of the death of the head of the house, there is, perhaps, no means of securing this guarantee against family destitution at so low a price as through the assessment companies, even though a policy holder should conclude later on that it was inexpedient to remain in them. They do a good service while they last, and as we have just said, there are conditions which make it possible that some of them may last for generations, even though the burdens they impose may not be exactly light ones."

This was not a news article. It was the deliberate judgment, editorially expressed, of the chief journal of Boston. An ordinary person would regard it as an unprejudiced statement of facts, upholding neither one system of insurance nor another. Our *enfant*, however, is not an ordinary person. He is an extraordinary person. Apparently he believes that it is nothing short of a criminal offense to suggest that assessment companies offer protection at cost, which suggestion, of course, hints that old line companies charge their policy holders more than is needful. Therefore, in high wrath he assailed the editor of the *Herald*. In order to do this he had to choose between thinking and talking. The result was an ill matter. We wish to warn our *enfant terrible* that the goblins will catch him if he doesn't watch out.

BOSTON, October 13, 1897.

PRESIDENT HOLLINSHEAD HONORED.

The silver anniversary of the connection of President Charles S. Hollinshead with the Union Fire Insurance Company of Philadelphia was appropriately and gracefully celebrated by the officers and employees of the company on October 14. Mr. Hollinshead was made the recipient of a solid silver service containing 60 pieces, the gift of the attaches of the office, and a handsome silver loving cup presented by the field staff. Impressive speeches were made by Commissioner Lambert, Mr. Atwood Smith, Mr. Hood Gilpin, and others. Mr. Hollinshead wears his 25 years of service gracefully and is younger than those years imply. The esteem and regard in which he is held by all connected with the company are the best tributes to his many virtues. He has reason to be proud of the loyalty of his associates and subordinates.

TOO "CHEAP INSURANCE."

The doom of fraternal insurance is already sounded unless those who have the system in their keeping abandon their effort to provide life insurance at a price less than its actual cost. Any man who would attempt to accumulate \$3,000 by simply hoarding \$20 a year, without putting the money out at interest, and expect to survive the accomplishing of his purpose, would be nominated a fool. It would mean that he expected to live 150 years after he had begun to accumulate his fund.

Foolish as such a purpose would be, it is exactly what hundreds of thousands of people are trying to do through fraternal life insurance. The Royal Arcanum, the leading organization doing that kind of insurance, assumes to be able to insure a man, aged 21 years, for \$3,000, at an annual premium of \$16. He would have to live only 187½ years, or to the age of 203½ years, in order to pay in as much as the Royal Arcanum promises to pay him in the event of death. It also agrees to insure a man, aged 54 years, for \$3,000, on an annual payment of \$64. He would have to live nearly 47 years, or until he was 101 years of age, before he could reimburse the society for the cost of his death. Such insurance would do for the patriarchs of old, but not for men living under the scriptural decree of three score years and ten as the limit of man's existence.

What fraternal orders such as the Royal Arcanum promise to do, or pretend to promise to do, is simply impossible. Were it possible there would be no need of such organizations retaining the power to levy unlimited assessments. But this power when exercised, as it must be at some time, is sure to produce the fatal results that it is intended to prevent.

The evidence that fraternal insurance is offered at too low a price is afforded in the table of rates which such societies as the Royal Arcanum publish. Take the table of that order, with its annual rate figured on the basis of 16 assessments per annum—the number it now levies—and we find that it charges \$18.56 for age 25, \$22.08 for age 30, \$26.88 for age 35, \$32.96 for age 40, \$41.28 for age 45, and \$52.16 for age 50. This is the rate charged for age at entry. While it makes \$52.16 as the equitable rate for the man who enters at age 50, it pretends that \$18.56 is also the equitable rate for a man aged 50 who has been in the order 25 years. The folly of it is apparent, for the cost of insuring a man 50 years of age is the same whether he has been in the order 25 years or only just entered, while for the former the order has lost the benefit of a recent medical examination.

A comparison of the Royal Arcanum assessments with the mortality cost, as figured from the combined experience table, discloses the fact that the rates charged at entry approximate the actual cost. Were the rates for current ages to be raised to those for age at entry, making all members of the same age pay the same rate irrespective of his length of membership, there is little doubt that the Royal Arcanum could live out its entire days of usefulness. With a favorable rate of mortality and expenses provided for outside of the mortality fund, the Royal Arcanum assessments would come very near meeting all expectations, provided, as we said, that every member should pay according to his current age instead of his age at entry. This is indicated in the following comparison of the estimated mortality rate and the entrance rate of the Royal Arcanum on the basis of 16 assessments a year, \$3,000 insurance:

Age.	Cost of \$3,000 Insurance as per Mortality Table.	Rate Charged at entry by Royal Arcanum.
25	\$13.31	\$18.56
30	25.26	22.08
35	37.87	26.88
40	51.08	32.96
45	66.43	41.28
50	84.82	52.16

From age 38 the Royal Arcanum rates at entry are higher than the estimated cost, and the rates from age 30 are probably within the safety line, but the scheme of charging a member aged 50 the same rate which he paid when aged 30 is what is wrecking this and other similar fraternal insurance organizations.

The following table shows the disaster which must inevitably overtake any association operating on the plan of the Royal Arcanum. It shows the present rate of assessments in that order for five different ages, the mortality cost in the first year, and in the fifth, tenth, fifteenth and twentieth years:

Age at Entry	Royal Arcanum Charge	Mortality Rate				
		1st Year	5th Year	10th Year	15th Year	20th Year
25	\$18.56	\$13.31	\$25.26	\$37.87	\$51.08	\$66.43
30	22.08	25.26	27.87	31.08	36.63	41.28
35	26.88	27.87	31.08	36.63	41.28	46.98
40	32.96	31.08	36.63	41.28	46.98	51.08
45	41.28	36.63	41.28	46.98	51.08	56.43
50	52.16	41.28	46.98	51.08	56.43	61.82
193-98		191.97	213.64	299.40	403.77	507.48
Av. per member 32-33		31.99	38.94	46.90	57.29	64.58

In the first year the Royal Arcanum rates average 33 cents more than the estimated rate of mortality, but in the fifth year the mortality rate exceeds the assessments by \$6.63, in the tenth year by \$17.58, in the fifteenth year by \$34.97, and in the twentieth year by \$62.16. These figures explain how it has been possible for a fraternal assessment association to steer clear of the rocks and reefs of too cheap insurance for five or ten years only to be wrecked in subsequent years when the increased death rate overwhelms the assessment rate. If in twenty years the rate of mortality increases three-fold, what folly it is to believe that assessments based upon the original ratio of deaths may be maintained without increase!

INSURANCE COMMISSIONER CUTTING.

Major Merrill's successor as Insurance Commissioner of Massachusetts is Mr. Frederick L. Cutting. He has been connected with the department for nearly 25 years, and is far better equipped for his position than most insurance officials. He takes his office at a time when there are many important problems to be solved. His hardest task will be to renew public confidence in the value and virtue of state supervision of insurance.

TO PURIFY FIRE METHODS.

The effort of the New York Board of Insurance Brokers and the Tariff Association of New York, to agree upon a plan which will regulate the rate of commissions to be paid, and limit the list of people to whom they are to be paid, should be successful. The whole atmosphere surrounding the fire insurance business would be purer and healthier, if the insurance broker were better secured against the forage of outsiders who are ever in keen scent for unearned commissions. The method of paying commissions to Tom, Dick and Harry, who have no interest in the companies which pay them, who are loyal only to their own greed, is demoralizing and damaging to the insurance business.

In other lines of business the manufacturer and the wholesaler have been forced to recognize the right of the distributors of their products and goods to protection. Concerns which sell to the trade refuse to sell to the consumer, not because of any sentimental or philanthropic notion, but because of solid business reasons. Merchants who have their agents on the road will not allow commissions to their customers on transactions made direct, for they know that they would soon be unable to obtain business through their agents.

The fire insurance business is not superior to the general principles governing other lines of business, and in permitting commissions to be diverted from those whose regular business it is to solicit fire insurance the companies are practically putting their business at the mercy of adventurers and sharpers. The fire insurance business would be upon a much more solid and enduring basis if every company refused to recognize as claimants for commissions any but bona fide business getters. The companies could save in commissions, while the brokers would really be better paid for their work. We doubt if rebating ever will be entirely suppressed, but there would be an end to the wholesale demand for concessions which comes from the large army of insured who are posted on the tricks of the business.

It is not easy to adjust all the nice points which are bound to arise in such negotiations as those now pending between the Tariff Association and the Brokers' Board, but their mutual interests require that an arrangement be arrived at, and the members of the respective conference committees are broad minded and capable, so we may hope for good results.

RECEIVED WITH THANKS.

Proceedings of the Fiftieth Anniversary of the Penn Mutual Life Insurance Company of Philadelphia. A valuable contribution to life insurance literature, handsomely printed and illustrated and elegantly bound.

Proceedings of the Twenty-second Annual Session of the National Convention of Mutual Life Underwriters, held at Saratoga Springs, N. Y., on Jan. 22, 23, 24 and 25.

Ohio Insurance Report for 1897, covering all insurance companies other than life. Hon. W. S. Matthews, Superintendent of Insurance.

FEAR-FUL BUSINESS.

When underwriters have nothing to fear they will patronize papers of merit and no others.—*Surveyor*.

Dear, dear, we had no idea, Roberts, that you got business by scaring people. We thought that you just begged and begged until they gave you something to get rid of you. Pardon the mistake. By the way, what will you do for a living when underwriters get so virtuous that they are no longer afraid (*) of you?

* Mr. Printer, please insert here "laughter."

OBSERVATIONS.

McNall's examiners who didn't examine New York insurance companies are reported to "have went" home. If their shoe leather holds out they will probably get there and stay there.

Either peace or pieces is the outlook for the plate glass business in Chicago. The effort is in the direction of peace, but while the cry is peace, peace, there is yet no peace. But the great American plan of holding meetings is in operation, and while so far the meetings have not resulted in a restoration of rates, more will be held, and let us hope better luck next time.

"Say, Mr. Accident-Company, if you pay \$100 for a broken leg, what do you give for a 'pulled' one?"

"Nothing, my dear sir, for if we did it would take much of our time and all our money to pay off."—*The Inter-State*.

For some inscrutable reason a certain class of insurance journalists seem to think that their eloquence is most effective when strained through a plug hat. Perhaps it is a natural affinity which one plug has for another.

"They caught her red-handed in the act."

"What was she doing?"

"Making jelly."—*Chicago Record*.

The Central Railroad of Georgia insured itself, and when its shops at Macon burned it paid itself what it owed itself, and now it can sit down and calculate how much it saved on the operation. Strange how some people will pay 100 per cent. premiums for fire insurance placed with themselves rather than pay 1 per cent. to an insurance company.

According to the *Chicago Tribune*, physicians say that the playing of wind instruments is most conducive to longevity. What splendid insurance risks must be some of those insurance journalists of the new school—or no school—who are continually howling about the right of only their own penny organs to exist.

The "Order of the World" is reported to be out of order, and its business has been blatted by another order—Uncle Sam's—which prevented the delivery of its mail. It refused to pay its death losses, but who could have thought it would have any to pay, for it is understood that fools never die; then why should members of the Order of the World die?

The National Life Underwriters, the Fire Underwriters of the Northwest, the Actuarial Society of America, all have had conventions recently, and at all these conventions papers were read. Just collect these papers, read them all, and see how much you know of the insurance business, fire and life.—*Chronicle*.

You wouldn't know much that's so.

An Iowa paper says: "It is worth noting that the Mutual Life Association of Iowa is the only company in the world that ever paid a dividend in the first year of its existence." It is a brash statement, but let it go. There is an old adage that the first shall be last, and its truth has been demonstrated very often in the experience of insurance associations.

Cobbie: "Sadie Slimson is polite, isn't she?"

Stone: "How so?"

Cobbie: "Last night I asked her to take the big chair, and she said, 'After you.'"—Puck.

The urbane tone and exquisite humor pervading the relations of our Paris colony with the natives transpire sonorously in this very veracious story told in *Figure* by the Deputy Emmanuel Arène.

In one of the amiable salons of the colony conversation happened to fall on the different things against which insurances are issued nowadays. The deputy was naturally quite at home on a question which so nearly concerns his business of law-making, and was giving a little discourse of the kind affected by the Frenchman who wishes to shine in society. One of the American adies present broke in with a remark that brought him up short. "Oh, you know that in the matter of insurance we are far and away ahead of you over in America."

"How is that?"

"Why, we insure against all sorts of things." For example, I'm insured against twins."

The deputy could only gasp his astonishment.

"It's true. I've had twins twice, and each time I collected \$10,000 from the company!"

The French legislator recovered himself sufficiently to ask: "What do you call that kind of insurance?"

"Why, monsieur, the same as any other—insurance against accidents!"

National Fire Insurance Company, HARTFORD, CONN.

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Office, 174 La Salle Street, Chicago.

PACIFIC DEPARTMENT, Manager.
GEORGE D. BORNIN, GEORGE W. BORNIN, Assistant Manager.
Office, 400 California Street, San Francisco.

Royal

INSURANCE COMPANY
(FIRE)
Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,

JANUARY 2, 1897.

Assets,	{ held in the U. S. for the special pro-	| \$7,481,311.62
Liabilities,	- - -	
Net Surplus,	- - -	\$2,354,656.90

Agencies in all the Principal Cities, Towns and Villages in the United States.

The Liverpool and London and Globe Insurance Company.

UNITED STATES STATEMENT, DEC. 31, 1896.

Assets,	- - - - -	\$9,339,545.33
Liabilities,	- - - - -	5,246,085.00
Surplus,	- - - - -	4,093,460.33

New York Office, 45 WILLIAM ST.

H. W. EATON, Resident Manager.
GEO. W. HOYT, Deputy Manager.
JOHN J. MARTIN, Agency Supt.

THE LEADING Industrial Insurance Company OF AMERICA.

CANVASSERS WANTED

IN ALL PRINCIPAL CITIES OF THE
New England, Middle and Western States, and Canada.

BY THE

METROPOLITAN LIFE INS. CO. OF NEW YORK,

FOR THE

PLAN OF INDUSTRIAL INSURANCE.

This plan embraces all the members of a family, male and female, between ages 2 and 29. Premiums from five to sixty cents per week. Claims paid immediately at death. Premiums collected weekly from the homes of policy holders. Benefits range from \$10 to \$1,000 and upwards.

All needed explanations will be furnished upon application to the Company's Superintendents in any of the principal cities, or to the Home Office in New York.

JOHN R. WEGENAR, President.
HALEY FISKE, Vice-President. GEORGE R. CASTON, 2d Vice-President.
GEORGE C. WOODWARD, Secretary.
J. J. THOMPSON, Cashier & Assistant Secretary.
JAMES M. CRAIG, Actuary.
THOMAS H. WILLARD, M.D., Medical Director.
STEWART L. WOODFORD, Counsel.

JAMESON & FRELINGHUYSEN,
General Agents and Managers,
80 & 82 WILLIAM ST., NEW YORK.

JULY 3, 1897.

GLOBE FIRE INSURANCE CO. Capital, \$300,000. Assets, \$750,164.38. Surplus, \$68,589.54.

INSURANCE COMPANY OF THE STATE OF NEW YORK. Capital, \$300,000. Assets, \$621,553.78. Surplus, \$79,684.73.

BROADWAY INSURANCE CO. Capital, \$300,000. Assets, \$183,513.63. Surplus, \$41,000.

MANUFACTURERS LLOYDS. Assets, \$308,822.06. Security as to Policyholders, \$453,823.06.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S.C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

C. W. BABB, Jr., Manager.
T. A. RALSTON, Sub-Manager.

QUEEN

INS. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, E. S. SAVAGE,
PRESIDENT. 3D VICE-PRESIDENT.
CHAS. S. WHITNEY, JOHN NAPIER,
VICE-PRESIDENT. SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.

It conducts its business at a lower ratio of expense than any other company.

E. STANLEY BROWN, GEORGE MUNROE ENDICOTT,
General Manager, London. Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 51 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG FIRE INSURANCE CO. OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK F. OLCOTT, President Central Trust Co., New York,
ERNEST THALMANN, of Ladenburg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Watson, Joslin & Myrdens, Counselors at Law, New York.

F. E. RASOR, Manager. AD. DORNEYER, Asst. Manager.

THE Lancashire Insurance Company OF MANCHESTER, ENGLAND. 25 Pine Street, New York. General Manager, - - DIGBY JOHNSON.

Assets, - - - January 1, 1896. - \$2,507,856.04
Liabilities, - - - - - 1,587,814.70
Net Surplus, - - - - - \$770,041.34

Trustees in the United States.
DONALD MACKAY, Esq., of Toronto & Co.
CORNELIUS N. ELISH, Esq., of Elms, Falmes & Co.
H. J. FAIRCHILD, Esq., of The H. B. Childs Co.
EDWARD LITCHFIELD, Manager New York Office.
M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserves for insurance in force, etc.	4,315,189.37
Net surplus	5,864,519.78
Policyholders' surplus	5,864,519.78
Gross assets	7,776,347.19

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary.
R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager, GEO. E. KLINE, Asst. to Gen'l Mgr.,
Western Department, RELEVO BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.



Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS	\$99,405,529.08
SURPLUS	2,594,196.18

The Penn is purely MUTUAL. Insurance is furnished at exact cost. Its factors—mortality, interest and expense—have all been highly favorable to this company. All policies are absolutely Non-Forfeitable for reserve value, the latter being applied to "Extraordinary" or to "Paid up," as may be desired. No policies are free from technicalities, and become incontrovertible for any cause after Two years.

HARRY F. WEST, President.

GEORGE K. JOHNSON, Vice-Pres. JOHN W. HAMER, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. C. LIPPINCOTT, Mgr. of Agencies.
JESSE J. BARKER, Actuary. H. H. HOLLOWELL, Asst. Sec. & Treas.

COMMENCED BUSINESS IN APRIL, 1802.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1896.

Assets	\$232,141.03
Liabilities	189,778.24
Surplus	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$8,790,877.44
SURPLUS	418,744.58
LOSSES PAID	1,118,466.91

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust. Personal Accident, Fire, Glass, Boiler, Elevator, Employers', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. MILLAR, Treas. and Sec.
EDWARD L. SHAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$25,000.00
Reinsurance reserve and all other liabilities	646,373.47
Net surplus	277,191.89
Total assets	\$1,048,450.35
Losses paid since organization	6,908,921.58

R. A. LOEWENTHAL, President. ARON CARTER, Vice-President.
W. A. FRANKS, Secretary. H. W. KADIE, Assistant Secretary.

1850.

1897.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

All Policies now issued by this company contain the following clause:

"After one year from the date of issue, the flexibility of the company under this policy shall not be disputed."

"This policy contains no restriction whatever upon the insured, in respect either of travel, residence or occupation."

All Death Claims paid WITHOUT DISCOUNT as soon as satisfactory proofs have been received.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the

HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE N. BURFORD, President.
C. F. FRALIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y
W. E. STANLEY, Actuary. ARTHUR G. PERRY, Cashier.
JOHN F. MUNK, Manager, Director.

FINANCE COMMITTEE.

GEORGE G. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Builder.
E. H. FERRIS, Jr., President Importers and Traders' National Bank.
JAMES B. FLUM, Leather.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,

COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. PURCELL, Assistant Manager.

A. M. THORBUEN, Secretary.

COMMERCIAL UNION ASSURANCE CO.,

(LIMITED.)

OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital	\$2,000,000.00
Reserve for unexpired premiums	1,045,000.00
Reserve for losses under adjustment	27,000.00
Reserve for all other claims	39,500.00
Net surplus	1,092,500.00
Total assets	\$3,944,744.57

HUGO SCHUMANN, President.

FR. VON BERNUTH, Vice-President. CHAS. RUTKLAVER, Secretary.
GEO. E. EDWARDS, Vice-President. GUSTAV KERR, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

Hon. GEORGE A. COX, J. J. KENNY,

President.

Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - - \$1,636,659.35
Surplus in United States, - - - - - 547,731.08

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES,

FOR FIRE INSURANCE.

Agents in United States, - - - - - \$7,851,844.31
Net Surplus, - - - - - 979,459.54

Writing Large Lines on Desirable Business.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM BELL, WILLIAM WOOD, JOHN MARSHALL.

WILLIAM M. BALLARD, General Secretary.

21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?

SUBJECT TO THE
INVALUABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS:

Tenfold

Annual Divi-

dend or

Accrueable

Term.

UNION MUTUAL LIFE Insurance Company,

Incorporated
1844.

Reliable

Agents

Always

Wanted.

FRED F. RICHARDS, President.

PORTLAND, MAINE.

ARTHUR L. BATES, Vice Pres.

Address either { EDWIN D. SCOTFIELD, Regt., 110 American Trust Building,
130 Nassau Street, N. Y. City.
THORNTON CHASE, Regt., 31 Adams Street, Chicago, Ill.

CALEDONIAN INSURANCE CO. OF SCOTLAND. Founded 1805.

"THE OLDEST SCOTTISH INSURANCE OFFICE."

United States Head Office, 27-29 PINE ST., N. Y. CITY.

STATEMENT, JANUARY 1st, 1897.

Assets, - - - - - \$2,161,182
Liabilities, - - - - - 1,178,061

Net Surplus in the United States, - - - - - \$982,399

CHARLES H. PORT, U. S. Manager. N. A. McFEE, Assistant U. S. Manager.

Bankers' Life Insurance Company OF THE CITY OF NEW YORK. RICHARD MORGAN, President.

Home Office, No. 81 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the BANKERS' LIFE are simply business contracts for pure life insurance, and are free from objectionable clauses usually embodied in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, N. Y. YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1874.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS.

January 1, 1897.

Assets, - - - \$462,178.22
Capital and Net Surplus, - - - 316,876.77

Executives: H. W. WOODS, President; D. B. HALSTEAD, Vice-President; B. W. CHAMBERS, Secretary; C. E. W. CHAMBERS, General Agent; N. J. La Salle St., Chicago.

NEW YORK UNDERWRITERS AGENCY

(ESTABLISHED 1864)

Local Agents in all Prominent Localities in the United States.

Office: 100 William Street, New York.

A. & I. H. STODDART, General Agents.

THE Manhattan Life

Insurance Company,

NEW YORK.

THE
WASHINGTON
Life Insurance Company
OF NEW YORK.

Assets, - - - \$14,000,000

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS: E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LLOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary.

SURETY ON BONDS.
American Surety Co.,
 100 BROADWAY, NEW YORK.



HOME OFFICE
 BUILDING,
 NEW YORK.

Bonds Issued for Employers, Administrators,
 Guardians and in Judicial Proceedings.

W. L. THENOLD, President.

HENRY D. LYMAN, Vice-President.

Resident Trustees, New York.

Wm. A. Wheelock, Henry H. Cook,
 F. W. Vainotelli, Wm. B. Kendall,
 Cornelius N. Biss, Wm. Dowd,
 F. H. Laidig, John A. Rood,
 Daniel G. Folger, C. L. Tidwell,
 Walter S. Johnson, G. S. Seelye,
 Wm. Nelson (Commonwealth), Wm. A. Nash,
 Chauncey M. Depew, Willis S. Davis,
 John E. Swaine, Wm. A. Hartman,
 E. F. Brewster, James A. Hayden,
 Geo. F. Vance, John J. Macvicar,
 H. D. Lyman, John A. McCall,
 Henry E. Hunt, Andrew Mills,
 Wm. L. Treuhahn, Jas. Stillman.

CAPITAL, \$7,500,000.

BONDSMEN SUPERSEDED

Statement, December 31, 1896.

RESOURCES including capital, \$1,000,000 \$5,187,903.70
 LIABILITIES including reserves, \$42,000,000 \$19,196.81

1890—1897.

United Firemen's Insurance Co.,
PHILADELPHIA.

Assets, January 1, 1897, \$1,426,021
 Surplus to Policy Holders, 502,586
 Capital, 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

The Prudential



Had for 1896
 the
 Largest Increase in
 Income
 of any Life Insurance
 Company
 in the
 United States.

ORDINARY AND INDUSTRIAL
 Life Insurance Policies,
 \$50,000 TO \$15.

AGENTS WANTED.
The Prudential Insurance Company
 OF AMERICA,
 JOHN F. DRYDEN, President.
 Home Office: NEWARK, N. J.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS
 MAY APPLY TO THE HEAD OFFICE, OR ANY OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
 Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
 Net Surplus, \$333,279.19.

The Guarantors
 LIABILITY-INDemnITY-COMPANY.
 OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.
 New York Office: 115 BROADWAY.

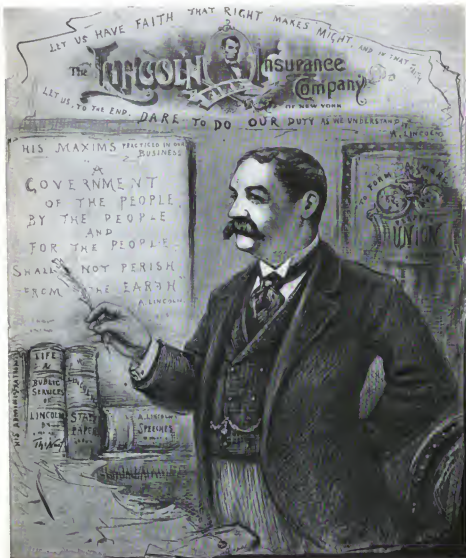
THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

VOL. II.

NEW YORK, NOVEMBER 1, 1897.

NO. 23.



"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY.

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), - - - \$2.00 per annum.

European Subscription (postage free), - - - 2.50 " "

Payable in Advance.

Single copies, - - - 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - MANAGER.

JOHN S. HANSON, EDITOR.

MANAGER J. C. HATIE ON DECK.

The Lincoln Fire Insurance Company is a new rival in the field. It has received its certificate from Superintendent Farn and is now writing business. The company starts with a capital of \$100,000 and a safe anchor to windward in the shape of a surplus of \$30,000. Mr. J. C. Hatie's name as general manager is assurance that the company will get business, for he is an expert and never sleeps when policies are to be written or premiums are to be had. The announcement that the company has already bound a large number of risks is not surprising to anyone who knows the ability of the general manager. Manager Hatie may be depended upon to adapt the sound principles of government declared by Lincoln to the business he will direct. His will be a company "for the people."

JOINT POLICIES IN MASSACHUSETTS.

Insurance Commissioner Cutting of Massachusetts has given notice to the fire insurance companies writing joint policies in the name of underwriters' agencies that they are acting in violation of the law of Massachusetts in so doing. He quotes section 13 of the Insurance Law, which says: "Every insurance company, foreign or domestic, shall conduct its business in the Commonwealth in its own proper and corporate name, and the policies and contracts of insurance issued by it shall be headed or entitled only by its own proper or corporate name." A number of agencies have been writing policies such as under the Commissioner's interpretation of the law are prohibited. The New York Underwriters' Agency, although not writing a joint policy at all, but one issued by a single company, has promptly responded to the notice of Commissioner Cutting, and amended its policy so that its wording now conforms with the Massachusetts law, and the Commissioner has approved the policy as changed. As the Minnesota law is the same as that of Massachusetts the Underwriters' Agency will make similar changes in its Minnesota policy. In both cases the changes are unimportant. Commissioner Dearth of Minnesota is taking the same action as Commissioner Cutting with reference to combination policies, and has notified a number of companies.

JAMESON & FRELINGHUYSEN COMPANIES.

The report of the examination by the New York Insurance Department of the three insurance companies managed by Messrs. Jameson & Frelinghuysen has just been published. The report puts at rest all the aspersions cast upon the companies. We go to press earlier than usual this time in order to "avoid the rush" of post election enthusiasm and can only refer to the summaries of the report, reserving for our next issue a more extended review of the findings of the examiner. The Globe Fire has total assets of \$761,551, liabilities, exclusive of capital, \$492,541, making \$155 of assets for each \$100 of liabilities. The Insurance Company of the State of New York has \$551,186 assets and \$284,161 liabilities, or \$194 assets for each \$100 liabilities. The Broadway Insurance Company has \$321,125 assets and \$93,151 liabilities, showing \$345 of assets for each \$100 of liabilities. These are the Department's figures based upon conservative estimates for September 30, 1897.

ASSESSMENT—OLD LINE.

Any comparison between assessment insurance and level premium insurance to be fair must take into consideration all the points of difference between the two systems. Because of its failure to do this we do not consider the comparison made by the *Standard* fair. It says:

A man insuring his life in an assessment company pays annual dues and mortuary calls, whatever they may be, for the twenty years, and at the end of that period has nothing whatever to show for his money. A man insured in an old line company, if the policy is on the twenty-year endowment plan, will have at the end of this period a return of the face value of the policy, or, if his policy is on the life plan and he wishes to lapse it at any time, the company will give him a cash surrender value, thus making him a fair return on his investment. In the one case a man pays regularly and in the end receives nothing; in the other he either receives at the expiration of twenty years the face value of his policy, or if he lapses before that time its cash surrender value.

The element of difference in cost is entirely excluded in this comparison. The man insured in an assessment company, should he save and improve that difference, which is what the level premium company does for him in the other case, will have considerably more than *nothing* at the end of the twenty years. We have no defence to make of these assessment companies or associations which persist in conducting their business on the basis of rates of assessment that are too low or are inequitable. All such are surely doomed. But life insurance we believe can be safely sold at rates of premium apportioned on the basis of actual cost at current age—on the natural premium plan. That method permits the insured to get his insurance at the lowest possible cost without jeopardizing the solvency of the insurer. But no company, whether level premium or assessment, can continue to sell insurance at less than cost without some time or another winding up in general wreck and ruin.

Assessment insurance, with rate of premium or assessment steadily advancing with current age, must necessarily cost more than term insurance, and for the average insured—the permanent solvency of the insurer being assumed—is worth more. Such insurance can be made as legitimate and free from the objections which have been justly urged against assessment insurance of the old type, as level premium insurance. As between such legitimized assessment insurance and old line insurance, it is for each individual to make his own choice and to determine whether he can better afford to trust himself or the insuring company with the reserve that is to provide for the increased cost of insurance as he grows older.

Life Insurance Income and Disbursements in Twenty-Eight Years, by Seven-Year Periods.

EQUITABLE LIFE ASSURANCE SOCIETY.

SEVEN YEARS.	Total Income.	Death Losses Paid.	Endowments and Annuities Paid.	Surrendered and Lapsed Policies.	Dividends Paid.	Total Paid Policyholders.	Commissions and Salaries to Agents.	All Other Expenses.	Total Expenses.	Total Disbursements.
1860 to 1875.....	\$58,307,985	\$11,979,971	\$559,757	\$5,190,355	\$6,449,918	\$27,209,911	\$4,923,745	\$4,773,874	\$5,206,419	\$37,209,430
1876 to 1891.....	62,493,970	18,965,106	1,895,500	2,152,089	11,392,906	36,393,592	4,099,979	6,334,468	10,573,539	46,968,980
1892 to 1899.....	142,590,104	31,307,592	4,090,410	1,547,085	13,430,223	62,223,979	13,647,590	12,409,194	36,168,100	107,087,179
1900 to 1906.....	290,377,688	78,466,551	7,849,110	30,249,971	16,935,921	133,514,354	31,297,477	36,491,140	56,776,588	170,247,944
Total 28 years.....	\$558,943,607	\$134,510,130	\$161,449,992	\$62,092,440	\$47,569,500	\$200,306,906	\$53,547,001	\$49,897,479	\$102,914,570	\$353,911,566

MUTUAL LIFE ASSURANCE COMPANY.

SEVEN YEARS.	Total Income.	Death Losses Paid.	Endowments and Annuities Paid.	Surrendered and Lapsed Policies.	Dividends Paid.	Total Paid Policyholders.	Commissions and Salaries to Agents.	All Other Expenses.	Total Expenses.	Total Disbursements.
1860 to 1875.....	\$125,343,495	\$20,439,740	\$913,791	\$15,192,612	\$29,901,875	\$67,307,915	\$5,449,119	\$6,075,905	\$10,536,094	\$77,843,009
1876 to 1891.....	136,713,515	26,413,563	19,719,737	32,614,101	33,639,353	95,390,098	4,773,139	9,403,514	14,178,356	109,447,958
1892 to 1899.....	182,706,260	47,732,549	14,732,967	17,723,702	24,254,954	96,477,180	14,190,197	12,406,343	26,596,539	128,116,699
1900 to 1906.....	266,061,179	70,590,730	18,068,753	37,003,917	16,025,117	145,654,471	29,913,590	32,531,359	62,445,949	208,099,506
Total 28 years.....	\$710,701,769	\$169,065,193	\$41,435,195	\$70,634,330	\$80,791,259	\$407,730,744	\$83,556,905	\$60,453,055	\$113,706,048	\$521,436,790

NEW YORK LIFE INSURANCE COMPANY.

SEVEN YEARS.	Total Income.	Death Losses Paid.	Endowments and Annuities Paid.	Surrendered and Lapsed Policies.	Dividends Paid.	Total Paid Policyholders.	Commissions and Salaries to Agents.	All Other Expenses.	Total Expenses.	Total Disbursements.
1860 to 1875.....	\$30,814,045	\$6,309,954	\$599,875	\$7,311,441	\$7,917,881	\$24,997,073	\$3,067,885	\$3,067,757	\$6,135,142	\$31,032,214
1876 to 1891.....	51,589,735	13,143,528	5,074,867	4,971,899	11,651,914	34,941,742	4,399,987	5,149,105	9,549,105	42,797,917
1892 to 1899.....	127,000,330	33,637,673	11,866,371	10,939,499	15,098,640	61,775,683	18,499,151	10,019,905	28,527,056	80,294,639
1900 to 1906.....	241,063,273	54,776,949	31,975,823	15,580,645	13,645,185	108,998,633	34,444,978	30,188,730	54,377,717	163,366,350
Total 28 years.....	\$490,466,383	\$106,787,114	\$49,424,526	\$38,831,485	\$48,282,570	\$208,226,330	\$66,732,603	\$58,259,590	\$94,960,924	\$321,505,240

TOTAL THREE COMPANIES.

SEVEN YEARS.	Total Income.	Death Losses Paid.	Endowments and Annuities Paid.	Surrendered and Lapsed Policies.	Dividends Paid.	Total Paid Policyholders.	Commissions and Salaries to Agents.	All Other Expenses.	Total Expenses.	Total Disbursements.
1860 to 1875.....	\$254,355,525	\$41,894,541	\$1,512,423	\$29,526,499	\$47,392,661	\$134,330,298	\$13,000,249	\$13,920,536	\$23,956,995	\$146,090,893
1876 to 1891.....	288,954,540	58,413,563	17,899,597	44,723,902	60,684,008	198,546,140	12,571,139	14,519,024	26,600,287	118,159,369
1892 to 1899.....	445,980,359	101,362,190	35,052,604	42,111,925	47,736,967	225,762,062	40,393,317	24,907,344	79,292,991	305,060,673
1900 to 1906.....	899,658,149	263,877,328	44,977,741	52,099,598	46,359,439	374,795,314	86,165,911	59,168,551	173,791,365	549,586,619
Total 28 years.....	\$1,778,948,573	\$469,100,421	\$99,442,665	\$128,461,924	\$161,963,142	\$634,390,000	\$172,611,710	\$137,946,920	\$281,751,533	\$1,195,907,560

WHITHER DRIFTING?

In part 3 of the annual report of the Insurance Superintendent of Illinois, appears a series of tables showing the income and disbursements of a number of life insurance companies annually for the past twenty-eight years. We have taken the figures in the report for the three largest companies, aggregated them for periods of seven years each, and the results are presented in the above table. We have not the space in which to comment upon all the remarkable facts disclosed by this comparison by periods; some of them we may refer to in future issues.

Confining our attention for the present to the aggregates for the three companies, we first note the large increase in income in the past seven years as compared with the corresponding period of 1860 to 1875 inclusive. The total income has increased from \$134,000,000 to nearly \$830,000,000, or more than 550 per cent. The amount paid to policy holders has increased from \$180,000,000 to nearly \$735,000,000, or 310 per cent, and the total expenditures from about \$26,000,000 to nearly \$174,000,000, or about 560 per cent. The dividends paid to policy holders on the other hand have been reduced from about \$47,000,000 to about \$43,000,000, or about 8 per cent.

In the first seven year period of the twenty-eight years the total expenses were less than 22 per cent. of the total amount paid to policy holders, while in the last seven year period they were more than 41 per cent. From 1860 to 1875 the dividends paid policy holders were equal to 180 per cent. of the total expenses; in the last seven years they were less than 35 per cent. of the expenses.

Increased expenditures and reduced dividends are the conditions which all the companies have been compelled to face

in recent years, and this is true both as to aggregates in the main and to ratios based upon income. As evidence on the latter point we present the following ratios of each class of disbursements to total income:

RATIO OF DISBURSEMENTS TO TOTAL INCOME.

EQUITABLE LIFE ASSURANCE SOCIETY.

7 years.	Death Losses Paid.	Endowments and Annuities Paid.	Surrendered and Lapsed Policies.	Dividends Paid.	Total to Policyholders.	Commissions, etc.	Other Exp.	Total Exp.
1860-75	36.04	0.36	10.51	35.98	47.90	5.78	6.01	59.77
1876-91	36.40	5.96	10.69	37.20	54.25	5.17	9.39	70.16
1892-99	36.39	4.12	5.39	33.89	49.80	9.42	8.27	73.89
1900-06	35.04	5.75	10.33	4.71	45.80	10.91	8.61	70.89

MUTUAL LIFE ASSURANCE COMPANY.

7 years.	Death Losses Paid.	Endowments and Annuities Paid.	Surrendered and Lapsed Policies.	Dividends Paid.	Total to Policyholders.	Commissions, etc.	Other Exp.	Total Exp.
1860-75	16.39	0.73	10.91	36.77	58.80	4.06	4.65	69.51
1876-91	20.34	8.40	16.73	37.50	63.97	8.77	11.19	83.93
1892-99	30.99	6.96	13.89	31.40	83.11	9.73	10.65	104.57
1900-06	35.03	5.84	12.99	12.30	66.16	13.42	17.67	100.89

NEW YORK LIFE INSURANCE COMPANY.

7 years.	Death Losses Paid.	Endowments and Annuities Paid.	Surrendered and Lapsed Policies.	Dividends Paid.	Total to Policyholders.	Commissions, etc.	Other Exp.	Total Exp.
1860-75	19.99	0.61	14.84	15.64	49.19	0.06	0.06	50.12
1876-91	19.74	8.97	8.98	39.94	58.63	6.11	8.11	73.22
1892-99	17.99	9.44	7.99	19.99	46.77	11.34	7.25	65.41
1900-06	25.99	6.97	6.43	5.05	43.45	14.34	9.11	62.90

TOTAL THREE COMPANIES.

7 years.	Death Losses Paid.	Endowments and Annuities Paid.	Surrendered and Lapsed Policies.	Dividends Paid.	Total to Policyholders.	Commissions, etc.	Other Exp.	Total Exp.
1860-75	27.75	0.64	10.73	30.13	61.86	5.36	5.98	73.08
1876-91	27.64	7.54	17.64	38.36	69.50	9.16	10.81	88.47
1892-99	29.74	6.99	9.40	10.79	56.92	11.74	17.89	86.64
1900-06	34.56	6.91	6.96	5.25	53.68	15.41	18.33	90.42

In the past seven years the three companies have disbursed 66.55 per cent. of their total income in payments to policy holders and for expenses. Of this 45.16 per cent. was paid to policy holders and 20.94 per cent. went for expenses. Compared with 1860-75 the ratio of payments to policy holders has decreased 6.11 per cent. and the ratio of expenses has increased 9.86 per cent. There has been a steady increase in the proportion of income used to pay death claims, from 17.75 per cent. in 1860-75 to 14.56 per cent. in 1890-96. The ratio of payments for endowments and annuities has decreased since 1876-81, and for surrenders and lapses since 1869-75. The

ratio of dividends has fallen from 20.15 per cent. to 5.22 per cent., and is less than one-half what it was in 1883-89.

The proportion of income now used to pay commissions and salaries to agents and managers has more than doubled since 1869-75, increasing from 5.56 to 11.61 per cent., while other expenses have increased from 5.52 to 8.33 per cent. Twenty-one years ago the ratio of dividends to income was nearly double the ratio of expenses, but in the past seven years it was less than one-quarter of the expense ratio.

Whatever view we may take of the facts presented there is one conclusion that admits of no dispute. Business is being obtained at an awful cost to the old policy holders. The premiums returned to them in the shape of dividends are growing smaller and smaller, not because of the increase in the maturing obligations of the companies, but largely because of the increased cost of getting business. Exclusive of dividends 31.13 per cent. of the income of these companies was paid to policy holders in 1869-75, 46.92 per cent. in 1876-81, 39.52 per cent. in 1883-89, and 39.94 per cent. in 1890-95. The dividends, therefore, have not been affected by the increased payments for death claims, endowments, annuities, surrenders and lapses.

Not have the companies been setting aside a large proportion of their income to pile up a surplus. In 1869-75 they used 62.36 per cent. of their income for expenses and payments to policy holders; in 1876-81, an exceptional period, when bad times and failures of insurance companies affected disastrously the ability and the willingness of people to buy life insurance, 78.51 per cent.; in 1883-89, 67.83 per cent., and in 1890-96, 66.10 per cent. The reduction of dividends evidently has been a matter of necessity, and the question is how much further can those methods be continued which are producing so unfavorable results?

LIFE INSURANCE ON THE FIRE INSURANCE PLAN.

The question is not infrequently asked "why should not a man buy his life insurance the same as he buys his fire insurance, getting it from year to year, and paying it only as long as he pays for it." There is no reason that we know of why he should not buy his life insurance that way if he prefers, but he should be sure that he is getting what he wants. In buying fire insurance one is supposed to assure himself of the fact that the company which insures his property will at least survive the period covered by his policy and will not have to come back for more premiums than he agreed to pay. There is a kind of life insurance supposed to be just like fire insurance, in which neither continued solvency nor an unchangeable premium are the essential ingredients.

Then in fire insurance, renewals at the end of each term are a matter of course without any increase in premiums, often at a reduced premium. Year to year life insurance has no such feature as that. The longer a man lives the nearer he approaches death; from a preferred risk he changes into an extra hazardous risk, and the premiums go up until finally he is classed as a death trap and becomes uninsurable. A building may stand for a century and all the time be insurable at the original rate of premium, but the average man with the doom of three score years and ten bearing him down to his grave, reaches the limit of an insurable risk long before that, and his

plan of buying life insurance as he buys fire insurance ends in disappointment and failure.

Every man must consult his own needs and desires. If he thinks that he requires life insurance for only a certain length of time, it is for him to decide what he wants. But life insurance and fire insurance cannot move along parallel lines, for the reason that the subjects of insurance themselves diverge. The 3 per cent. fire risk may be a 2 per cent. risk a century hence, the 4 per cent. life risk to-day may be a 100 per cent. risk, that is practically uninsurable, in twelve months, and even an uninsurable risk becomes a bigger rate risk with each added year of life.

THE SURVEYOR'S GUN (?)

The manifesto of the Eagle makes us smile. What earthly power has this obscure operator to stop a thing generally demanded by the situation? Its private interests, forsooth, are to be antagonized by the general good. Therefore the world must stop at its command, or it will do something terrible. Let the Eagle scream from its superior height—and swoop down within reach of our shotguns if it wishes to.—*Surveyor*.

The *Surveyor* link carrier would better not fool with the tail feathers of that Eagle. It wouldn't do a thing to him. The *Surveyor* mendicant need have no fears of its monopoly of obscurity being threatened by the Eagle Fire Insurance Company. With assets of a million- and a quarter and insurance risks of about \$60,000,000, the company may seem obscure to the popgun (shotgun by courtesy) pepper with a dollar close to his eye. The managers of the Eagle Fire Insurance Company have a right to conduct their business in their own way and are likely to do it. It is for them to say whether they think the interests of their company will be better served by entering into agreements with other companies or associations or by declining. At all events they are not likely to seek advice from the charity organization that imagines that its putty blower is a shotgun, and its masticated paper wads are real bullets.

AMERICAN BY BIRTH.

American born children of foreign born residents of the United States become full fledged citizens of this country without the formality of the parents taking out papers. The Magdeburg Fire Insurance Company has taken note of this important fact, and in a short time there will be an American Magdeburg born on American soil and possessing the birth-right of American citizenship. It will have nothing to fear from "retaliation," and in time it may follow in the footsteps of other young Americans, and back the American Eagle against the Imperial Eagle of Germany.

At all events the American offspring will be carefully trained, and if it follow in the footsteps of its progenitor there are long years of prosperity before it. If the virtues of the parent descend to the child the Magdeburg of American birth will soon enjoy the best of reputations. The new company it is said will have a capital of \$200,000 and surplus of \$50,000, and will be incorporated in this State. Director Mieske is now in New York, and the arrangements for launching the new company will probably be completed before he returns to Europe.

INHERENTLY BAD.

The devil and the deep sea are the metes and bounds of state supervision of insurance. On the one hand is the lean and hungry official with itching palm, who makes the insurance companies his prey, and levies tribute wherever he can get it. We call him freebooter, robber, blackmailer, etc., and hold him up as the type of what is worst in insurance supervision. On the other hand is the more cunning official whose iron hand wears the velvet glove, whose cushioned paw hides the ruthless claw. He knows his power and he knows how to use it. To reward his friends and to punish his enemies is the one duty which he recognizes and performs. His office is to cover up the guilt of his allies, to fasten guilt upon those who are not.

There is occasionally an insurance official clothed with state authority, who is neither a fanatic nor a conspirator, a freebooter nor a panderer to vice. But too often, while we are hot in our rage against insurance superintendents who force expensive examinations upon companies apparently from unworthy motives, we disregard the more deadly peril of insurance supervision which winks at wrongdoing, and which permits fraud to go on triumphant until the final trump of bankruptcy is sounded.

That supervision which does too little not infrequently carries more disastrous results in its wake than that which does too much. Mr. McNall, for instance, can do less harm to insurance by demanding money for farcical examinations of companies than can a wiser official who forbears for any consideration whatever—financial, political or social—to expose corrupt or incapable management. We have no faith in insurance supervision at all; we believe it accomplishes no good, while it too often produces evil. Under the mask of state supervision the worst of iniquities have been permitted to flourish. A complacent or conniving insurance commissioner can do more towards outraging a confiding public than the most rascally manager that ever gutted an insurance company. And yet the only remedy for bad insurance supervision that suggests itself to some minds is more supervision.

WHAT MIGHT HAPPEN.

Mr. McNall of Kansas finds no job too big for him to tackle. Not content with trying to force out of the state insurance companies already in it, he proposes to drive out companies that have never been in the state. He has addressed a letter to a number of fire insurance companies outside of Kansas in which he says: "I will say in addition that at some future time you may desire to make application to come into this State to transact business, and the kind of a record you have now—that of illegally writing insurance—unless it is desisted in, will not assist you very materially in such application." Mr. McNall must have heard about the maiden lady of unmentionable years who in a fit of meditation thought how some day she might get married and have a son and that son should go off and get drowned and his lifeless remains should be brought home to her, etc., and then she burst into loud lamentations. Mr. McNall is already trying to drown his insurance children before the matrimonial bonds have been tied. We weep with the stricken parent.

Rachel: "Why are you so quiet, Ike?"

Ike: "I how can I talk, when I am afraid to take my hands off the handlebars."—*Life*.

RECEIVED WITH THANKS.

Twenty-ninth Annual Report of the Insurance Superintendent of Illinois, Part II—Life, Casualty and Assessment Insurance, and also Fraternal Associations. Report made by Bradford K. Durlee, former Superintendent. We are indebted to Superintendent James R. B. Van Cleave for copy of report.

Twenty-fourth Annual Report of the Insurance Commissioner of Pennsylvania, Part II—Life and Accident Insurance. Hon. James H. Lambert, Insurance Commissioner.

The Life Insurance Tax Case. Printed argument of counsel for Appellees in the case of the State Board of Tax Commissioners of Indiana, against John H. Holliday *et al*, before the Supreme Court of Indiana. We are indebted to Mr. Albert J. Beveridge, who made the argument, for a copy of it. It is a strong presentation of the illegality and inequity of the tax which was attempted to be laid upon the surrender values of life insurance policies.

Proceedings of the Eighth Annual Convention of the National Association of Life Underwriters, published by the *Underwriter's Review*. Our contemporary has performed a high water mark feat in insurance journalistic enterprise, one which is bound to call forth the admiration, if not the imitation of all its friends and rivals. The *Review* has done valuable service in giving permanency to the record of the proceedings of the convention, and in presenting the well portrayed features of so many life insurance managers and workers.

OBSERVATIONS.

There was an alarm of fire the other night. A clerk of one of the local hotels, being told the fire was in the immediate neighborhood, pushed the button for the porter.

"I wish you would wake up the guests, Joe."

"Yes, sah; I would like to, sah, but he ain't dun gone to bed."—*New Orleans Times Democrat*.

By agreement the hearing of the application for a permanent injunction against Superintendent McNall of Kansas, made by the Travelers of Hartford, has been postponed until next Monday.—*Journal of Commerce*.

An agreement! Between Mr. Batterton and Mr. McNall!! Never!!!

Commissioner Cominsore of Kentucky prefers a collectorship to an insurance commissionerhip, and remarks that the first ship is freighted with the most money. All of which goes to prove that Mr. Cominsore is a very honest or a very impracticable man.

"Was her language refined or coarse?" asked Mr. McClure.

"Neither one nor the other," replied the witness. "Just medium. She told me to go to hell."—(Testimony in a New York will case.)

"Our Chaucer" anticipated Charlie Hewitt by a few years in taking his "typewriter on his lap," but it is a long way from New York to Chicago, and modern ideas travel slowly sometimes. Yet we dare say Hewitt has added new features of his own to the device.

A suit in Syracuse, N. Y., to recover the face of a policy of insurance from the Prudential Life Insurance Company was suddenly ended by the alleged dead man's arriving in town. The company justified its name in fighting the claim, and yet the chances are always against any life insurance company winning in such cases. The fraude long since demonstrated that in life insurance it is not necessary to die to win.

The Customer: "I think I'll take some calves' brains to-day."

The Waiter: "Sorry, sir; but I haven't any brains to-day, sir."—*Yonkers Statesman.*

The past is behind you, the future ahead of you, but the present is with you. Use the now and you need not trouble yourself with the has been or the will be. Moral: Let insurance workers work now, for it is only the work that is done now that is ever done.

It is a wise man who knows his own family is protected against want when he dies. It takes a premium on a policy of insurance to provide that wisdom.

Mr. E. H. Day, of Trinidad, in a paper read at the convention of Colorado fire insurance agents, said: "I knew a man who went into the insurance business. One of the patrons of the agency wrote him a note saying, 'I hear that you have purchased the B. C. agency. I shall be out of town for a month or two, please put a vacancy notice on my house.' He went down and put a 'To let' sign on the house; had never heard of a vacancy permit."

Barnstein: "Dot feller, Isaacs, has no originality sponit him votefer. He schoont depends on findin' oudt odder people's peezness met'ods."

Levy: "How so?"

Barnstein: "Vy, I never haf a fire but dot he gomes aroundt der first ding in der morning, askin' me how it habened."—*Puck.*

The Mutual Life Insurance Company is defending a suit for \$75,000. The company issued a policy for that amount to Mr. Dingley in 1894, for which he paid one year's premium, if there wasn't a rebate in the woodpile somewhere. Mr. Dingley paid no more premiums, and four years after he died. A year after his death his administrator sues the company for \$75,000, and there are probably a million people in the United States who will agree that the company ought to be made to pay.

A fool and his money are soon parted, except when it comes to paying for life insurance. Then the fool sticks to his money tighter than a tick to a Mexican digger Indian.

The Supreme Court of Iowa has decided that when a book-keeper goes gunning for sport he doesn't change his occupation, and in case of an accident an accident company cannot change his indemnity in the absence of a provision in his policy to that effect. That is good enough law.

The Insurance Commissioners of Minnesota want to wind up the State Accident of Minneapolis because its assets are only two chains, a desk and thirteen dollars. Was the last-mentioned asset overlooked by the management?

Who dare say that the stuff out of which martyrs are made does not exist, when high officials of a life insurance company resign rather than fib for the president? The seed of George's hatchet is the blood of such martyrs.

"An' hoo's the guid wife, Sandy!" said one farmer to another, as they met in the market place and exchanged snuff boxes.

"Did ye no hear that she's dead and buried?" said Sandy, solemnly.

"Dear me!" exclaimed his friend sympathetically. "Surely it must have been very sudden?"

"Aye, it was sudden," returned Sandy. "Ye see, when she turned ill we hadna time to send for the doctor, see I gied her a bit pouther that I had lying in my drawer for a year or two, and that I had got frae the doctor myself, but hadna ta'en. What the pouther was I dinna vera weel ken, but she died soon after. It's a sair loss to me, I can assure ye, but it's something to be thankfu' for I dinna tak' the pouther myself."—*Exchange.*

National Fire Insurance Company, HARTFORD, CONN.

JAMES NICHOLS, President. E. G. RICHARDS, Secretary.
B. R. STILLMAN, Assistant Secretary.

Head Office, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT.

FRED. S. JAMES, General Agent.
G. W. BLOOMER, Assistant General Agent.
Office, 174 La Salle Street, Chicago.

PACIFIC DEPARTMENT.

GEORGE D. BORNIN, Manager.
GEORGE W. DORNIN, Assistant Manager.
Office, 409 California Street, San Francisco.

Royal INSURANCE COMPANY
(FIRE)
Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,

JANUARY 1, 1897.

Assets, (held in the U. S. for the special protection of its American Policy Holders.)	\$7,481,311.62
Liabilities, - - -	5,126,654.72
Net Surplus, - - -	\$2,354,656.90

Agencies in all the Principal Cities, Towns and Villages in the United States.

The Travelers

Insurance Company

OF HARTFORD, CONN.

JAMES G. BATTERSON, President.

Cash Capital Paid Up, - - -	\$1,000,000
Gross Assets, - - -	\$20,896,684.63
Surplus to Policy Holders, -	3,365,161.39
Premiums received, 6 months, 1897, -	2,833,794.91

Life, Accident,
and
Employers' Liability
Insurance

At the Lowest Stock Rates.

THE ORIGINAL ACCIDENT INSURANCE COMPANY
IN THE UNITED STATES.

+ OLDEST, LARGEST AND BEST. +

NEW YORK OFFICE:

31 NASSAU STREET.

The Liverpool and London and Globe Insurance Company.

UNITED STATES STATEMENT, DEC. 31, 1896.

Assets, - - - - -	\$9,889,545.83
Liabilities, - - - - -	5,244,050.00
Surplus, - - - - -	4,645,495.83

New York Office, 45 WILLIAM ST.

H. W. KATON, Resident Manager.

GEO. W. HOLT, Deputy Manager.

JOHN J. MARTIN, Agency Rep't.

THE LEADING Industrial Insurance Company OF AMERICA.

CANVASSERS WANTED

IN ALL PRINCIPAL CITIES OF THE
New England, Middle and Western States, and Canada.

BY THE

METROPOLITAN

LIFE INS. CO.

OF NEW YORK,

FOR THE

PLAN OF INDUSTRIAL INSURANCE.

This plan embraces all the members of a family, male and female, between ages 12 and 70. Premiums from five to sixty cents per week. Claims paid immediately at death. Premiums collected weekly from the homes of policy holders. Benefits range from \$10 to \$1,000 and upwards.

All needed explanations will be furnished upon application to the Company's Superintendents in any of the principal cities, or to the Home Office in New York.

JOHN R. BEGMAN, President.
SALEY FISKE, Vice-President. GEORGE H. EASTON, 2d Vice-President.
GEORGE R. WOODWARD, Secretary.
J. J. THOMPSON, Cashier & Assistant Secretary.
JAMES M. CRAIG, Actuary.
THOMAS R. WILLARD, M.D., Medical Director.
STEWART L. WOODFORD, Counsel.

JAMESON & FRELINGHUYSEN,
General Agents and Managers,
80 & 82 WILLIAM ST., NEW YORK.


JULY 1, 1897.

GLOBE FIRE INSURANCE CO. Capital, \$300,000. Assets,
\$738,164.83. Surplus, \$63,599.54.

INSURANCE COMPANY OF THE STATE OF NEW YORK.
Capital, \$200,000. Assets, \$621,355.78. Surplus, \$70,694.72.

BROADWAY INSURANCE CO. Capital, \$200,000. Assets,
\$333,313.62. Surplus, \$41,089.

MANUFACTURERS LLOYDS. Assets, \$302,992.09. Security
as to Policyholders, \$403,828.09.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments,
38 PINE STREET, NEW YORK CITY.

C. W. BABB, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING, PRESIDENT.
CHAS. S. WHITNEY, VICE-PRESIDENT.
E. S. SAVAGE, 2D VICE-PRESIDENT.
JOHN NAPIER, SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED), OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.
It conducts its business at a lower ratio of expense than any other company.

S. STANLEY BROWN, General Manager, London.
GEORGE MUNKRO ENDICOTT, Manager and Attorney for U. S.
DWIGHT, SMITH & LILLIE, General Agents, 51 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG FIRE INSURANCE CO. OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK F. OLCOTT, President Central Trust Co., New York.
ERNEST THALMANN, of Ladensburg, Thalmann & Co., Bankers, New York.
WILLIAM ALLEN BUTLER, of Butler, Notman, Jellicoe & Myerson, Counselors at Law, New York.

F. E. RASOR, Manager. AD. DONHETER, Asst. Manager.

THE Lancashire Insurance Company OF MANCHESTER, ENGLAND.

25 Pine Street, New York.
General Manager, - - - DIGBY JOHNSON.

January 1, 1896.
Assets, - - - \$9,007,886.04
Liabilities, - - - 1,887,814.70
Net Surplus, - - - \$770,041.84

Trustees in the United States.
DONALD MACRAE, Esq., of Toronto & Co.
CONNELLY N. HILLS, Esq., of Elm, Polyan & Co.
H. J. FAIRCHILD, Esq., of The H. B. Claffs Co.
EDWARD LITCHFIELD, Manager New York Office.
M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserve for Insurance in force, etc.	4,318,158.37
Net surplus	8,564,218.70
Policy-holders' surplus	3,564,218.70
Gross assets	7,776,847.18

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York

F. C. MOORE, President. HENRY EVANS, Vice-President.

EDWARD LANNING, Secretary.

R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.,
Western Department, BILLYO BUILDING, CHICAGO, ILL.

RESPONSIBLE AGENTS WANTED.

C. L. STOUT, Pres. THE J. R. MULLIKIN, Secy.

MERCHANTS' INSURANCE CO.

OF NEWARK, N.J.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GROSS ASSETS,	\$39,405,529.08
SURPLUS,	3,564,158.19

The Penn is purely MUTUAL. Insurance is furnished at exact cost. Its feature—mortality, interest and expense—have all been highly favorable in this company. All policies are absolutely Non-Forfeitable for reserve value, the latter being applied to "EXTENSION" or to "PAID-UP," as may be desired. Its policies are free from technicalities, and become INCURABLE for any cause after Two years.

HARRY F. WEST, President.

GEORGE E. JOHNSON, Vice-Prest. JOHN W. HAMER, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. R. C. HIPPENHUT, Mgr. of Agencies.
JESSE J. BARKER, Actuary. H. B. HOLLOWELL, Asst. Sec. & Treas.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS

AT

MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets,	\$232,141.03
Liabilities,	189,775.24
Surplus,	\$42,365.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$1,790,837.34
SURPLUS	418,744.88
LOANS & PAID	8,113,466.31

CASUALTY INSURANCE SPECIALTIES.

Bonds of Suretyship for persons in positions of trust. Personal Accidents, Fire, Glass, Boiler, Elevator, Employees', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDW. H. L. HAWES, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

New York Department.

57 & 59 WILLIAM ST.,

NEW YORK.

A. G. McILWAINE, Jr.,
Manager.

MUTUAL FIRE

INSURANCE COMPANY

OF NEW YORK. (A Stock Corporation.)

STATEMENT JANUARY 1, 1897.

Capital paid up in cash	\$25,000.00
Reinsurance reserve and all other liabilities	146,878.47
Net surplus	\$71,881.53
Total assets	\$240,959.10
Losses paid since organization	6,880,361.50

R. A. LOEWENTHAL, President. ARON CARTER, Vice-President.
Wm. A. FRANKS, Secretary. H. W. EATON, Assistant Secretary.

1850. 1897.

The United States

LIFE INSURANCE COMPANY

In the City of New York.

All Policies now issued by this company contain the following clause:
"After one year from the date of issue, the Validity of the company under this policy shall not be disputed."
"This policy contains no restriction whatever upon the insured, in respect either of travel, residence or occupation."
All Death Claims paid WITHOUT DISCOUNT as soon as satisfactory proofs have been received.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.
C. F. FRALEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y
Wm. T. STANDER, Actuary. ARTHUR C. PERAY, Cashier.
JOHN F. MURK, National Director.

FINANCE COMMITTEE.

GEORGE O. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, President Importers and Traders National Bank.
E. H. FERRISS, Jr., Cashier.
JAMES E. FLUM, Assistant Cashier.

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. PURCELL, Assistant Manager.

A. M. THORBURN, Secretary.

COMMERCIAL UNION

ASSURANCE CO.,

(LIMITED.)

OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

GERMANIA

FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital	\$1,000,000.00
Reserve for insured premiums	1,254,072.54
Reserve for losses under adjustment	27,000.48
Reserve for all other claims	10,000.00
Not surplus	1,302,000.15
Total assets	\$2,584,751.27

RUGO SCHUMANN, President.

FR. VON BEHNKE, Vice-Presidents. CHAS. NITKHAYER, Secretary.
GEO. B. EDWARDS, Assistant Sec'y.

WESTERN

ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1881.

Hon. GEORGE A. COX, J. J. KENNY,
President. Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets	\$1,636,689.35
Surplus in United States	647,731.08

HANOVER

FIRE INSURANCE CO.

Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.



FOR FIRE INSURANCE.

Assets in United States, - - - - - \$2,581,844.71
Not surplus, - - - - - 959,438.94

Writing Large Lines on Desirable Customs.

Applications for Agencies or Information should be addressed

For Eastern and Middle States:

WILLIAM BELL, WILLIAM WOOD, JOHN MARSHALL.

WILLIAM M. BALLARD, Branch Secretary,
21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?

SUBJECT TO THE
INVALUABLE MAINE NON FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS:

Term

Annual Divi-

dend or

Renewable

Term.

UNION
MUTUAL
LIFE Insurance
Company.

Incorporated 1855.

Reliable

Agents

Always

Wanted.

PORTLAND, MAINE.

FRED F. RICHMOND, President.

ARTHUR L. BATES, Vice-Pres.

EDGON D. SCOFFIELD, Sup't, 110 American Trust Building,
Address either 130 Nassau Street, N. Y. City
THORNTON CHASE, Sup't, 36 Adams Street, Chicago, Ill.

CALEDONIAN INSURANCE CO.

OF SCOTLAND.

Founded 1805.

"THE OLDEST SCOTTISH INSURANCE OFFICE."

United States Head Office, 27-29 PINE ST., N. Y. CITY

STATEMENT, JANUARY 1st, 1897.

Assets, - - - - - \$5,101,183

Liabilities, - - - - - 1,178,961

Net Surplus in the United States, - - - - - \$392,222

CHARLES H. POST, U. S. Manager. N. A. McWILL, Assistant U. S. Manager.

Bankers' Life Insurance Company

OF THE CITY OF NEW YORK.

RICHARD MORGAN, President.

Home Office, No. 31 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the
BANKERS' LIFE are simply business contracts for pure life insur-
ance, and are free from objectionable clauses usually embodied
in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL C. ATWOOD, SECRETARY,
256 & 257 BROADWAY, N. Y. YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1844.

THE OLDEST NEW YORK COM-
PANY IN ITS LINE, AND THE
ONE HAVING THE LARGEST
NET SURPLUS.

January 1, 1897.

Assets, - - - \$462,176.22
Capital and Net
Surplus, - - - 316,876.77

FRANCIS H. WASHINGTON, - - - President
HENRY E. WATSON, - - - W. President.
S. W. BLISS, - - - - - Sec'y.
CHAS. F. PIERCE, Gen. Agent,
No. 14 La Salle St., CHICAGO.

NEW YORK UNDERWRITERS AGENCY

(OFFICE 1891)

Local Agents in all Prominent Localities in the
United States.

Office: 100 William Street, New York.

A. & J. H. STODDART, General Agents.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-
forfeitable after three years; incontestable and unrestricted
as to residence, travel and occupation after two years.

ADDRESS. E. S. FRENCH, Vice-President.

21 Cortlandt Street, New York City.

LOYDS
PLATE GLASS
Insurance Company

OF NEW YORK

Cash Capital
\$250,000.

Incorporated
1882.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary.

SURETY ON BONDS.

American Surety Co.,

100 BROADWAY, NEW YORK.



Bonds Issued for Employes, Administrators,
Guardians and in Judicial Proceedings.

W. L. THORNDIKE, President.

BRISTOL L. L. THOMAS, Vice-President.

Resident's Trustees, New York.

Wm. A. Wamsbach,
F. W. Vandervelde,
Clemens N. Dine,
C. H. Ludington,
Daniel G. Rollins,
Walter S. Johnson,
Wm. Nelson Youngs, Jr.,
Samuel M. Deane,
John F. Seaton,
E. F. Brownlee,
Eugene F. Victor,
H. D. Lyman,
Henry E. Frost,
Wm. L. Thompson,

Henry H. Cook,
Wm. B. Keseloff,
Wm. D. Cook,
Elmer Reed,
C. L. Tiffany,
G. S. Edwards,
Wm. A. Nash,
William H. Foster,
W. H. Graves,
James A. Herdick,
John A. Maloney,
John A. McCall,
Asa Lee Hill,
Jas. Sullivan,

CAPITAL, \$5,000,000.

BONDSMEN SUPERSEDED

Statement, December 31, 1896.

REVENUE (including capital) \$2,500,000.00 \$5,132,405.76
LIABILITIES (including reserve) \$2,500,000.00 \$499,596.24

1890—1897.

United Firemen's Insurance Co.,

PHILADELPHIA.

Assets, January 1, 1897, - - - \$1,428,021
Surplus to Policy Holders, - - - 502,368
Capital, - - - 300,000

ROBERT B. SEATH, President.

DENNIS J. SWEENEY, Secretary.

The Prudential



Had for 1896
the
Largest Increase in
Income
of any Life Insurance
Company
in the
United States.

ORDINARY AND INDUSTRIAL

Life Insurance Policies,

\$50,000 TO \$15.

AGENTS WANTED.

The Prudential Insurance Company

OF AMERICA,

JOHN F. DRYDEN, President.

Home Office: NEWARK, N. J.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS CONNECTIONS
MAY APPLY TO THE HEAD OFFICE OR ANY OF THE SOCIETY'S GENERAL AGENTS

Authorized Capital, \$1,000,000.00.
Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
Net Surplus, \$333,279.19.

The
Guarantors
LIABILITY-INDemnITY-COMPANY
OF PENNSYLVANIA

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.

New York Office: 115 BROADWAY.

THE
INSURANCE OBSERVER.

"With malice toward none, with charity for all."

Vol. II.

NEW YORK, NOVEMBER 15, 1897.

No. 24.



A GOODLY BROOD FROM ONE (YEAR'S) SETTING.

"With malice toward none, with charity for all."

THE INSURANCE OBSERVER.

PUBLISHED SEMI-MONTHLY BY

THE INSURANCE OBSERVER CO.,

55 LIBERTY STREET, NEW YORK.

Subscription price (postage free), = = = = \$2.00 per annum,

European Subscription (postage free), = = = = 2.50 " "

Payable in Advance.

Single copies, = = = = 10 cents.

Entered at the Post Office, New York, N. Y., as Second-Class Mail Matter.

W. A. THOMAS, - - - - MANAGER.

JOHN S. HANSON, EDITOR.

ON THE 3 1-2 PER CENT. BASIS.

The Mutual Life Insurance Company has issued the following notice to its agents:

PRESIDENT'S OFFICE, NOV. 8, 1897.

This company has adopted with other prominent life insurance companies new and uniform tables of premium rates, based on the American Table of Mortality at 3½ per cent. interest, which will go into effect on January 1, 1898. It is intended that reserves on policies issued at the new rates shall be computed upon the same basis.

RICHARD A. MCCURRY, *President.*

This is a very important step and one which it is understood some of the other companies are contemplating. It is explained in behalf of the company that the depression in the rates of interest creates a doubt whether the average rates of interest safely obtainable may not at some future time fall below 4 per cent. It is not expected that the rate will decline on funds now invested, at least for a long time to come, so the present change will apply only to new business. Should rates of interest advance, the dividends and surplus to the policy holders will be increased. "The immediate effect of this changed 'reserve basis,'" the company says, "will be a slight increase in the rates of premium to be charged upon endowment and limited payment life policies, and also upon ordinary life policies issued on young and middle-aged lives. At the older ages, from fifty upwards, a decrease in rate occurs, inasmuch as experience has shown that the present rates charged at advanced ages can in equity be reduced, and therefore should be."

The future must determine the wisdom of this step. It is bound to have a far reaching influence and promises to result in the establishing of 3½ per cent. as the basis of figuring all reserves. Before getting to that point the companies might well consider the question of reducing their expenses to something nearer the ratio that existed when reserves were calculated on the 4½ per cent. basis. Life insurance ought to cost less rather than more, and the dearer it gets the more certain it will be that cheap substitutes for old line insurance will crowd the market.

The difficulty of investing large sums of money at fair rates of interest must be admitted to be a pressing problem. Yet

it suggests the query why should our large life companies go on piling up a surplus which they cannot invest at more than 3 or 3½ per cent., when the policy holders themselves can get 5 to 6 per cent.? The large sums which insurance companies are forced to invest have a bearish influence on investment rates. Safety, leaving legal requirements out of consideration, requires that reserves shall be maintained at their full limit, but why build up an enormous surplus when every dollar of accumulation increases the difficulty of obtaining a profitable rate of interest?

The increase in premiums and the lowering of the rate upon which reserves are to be figured operate jointly to increase the amount of investment funds which the companies must take care of, and thus tend to produce the very result that is to be deprecated, a further decline in interest rates.

If the income from investments is not to decline then the advancing of rates merely to increase dividends or surplus is not to be commended. But the cat in the meal bag after all is the large expense ratio, and we can see no remedy that will apply to the situation except a reduction in the cost of doing business and getting business.

RETURNED AFTER NOT MANY DAYS.

The Penn Mutual Life Insurance Company went to considerable expense in celebrating its fiftieth anniversary and proved itself a royal host. That its hospitality and graciousness would result in increased loyalty and enthusiasm on the part of its field workers and attachés there was never a question, and now the management is receiving indisputable testimony that the bread cast upon the waters during its celebration feast is returning an hundredfold. The company reports an increase in the first ten months of the year over the corresponding period last year of 2,593 policies and \$7,760,000 insurance written. Many agents have doubled their business and nearly every agent reports an increase. That speaks well for the management, for where every worker is doing well there must come inspiration from the fountain head. The company has also been very fortunate as to death losses, which were \$100,000 less than in the first ten months of 1896. As most of the gain in business has been since May, the semi-centennial celebration must be credited with a large share of the responsibility.

MANHATTAN FIRE INSURANCE CO.

On November 6th the Mutual Fire Insurance Company ceased to exist under that name and became the Manhattan Fire Insurance Company of the City of New York, by virtue of the certificate of the New York Insurance Department authorizing the reorganizing of the company and change of name. There is no change in the identity of the company, all the assets and obligations of the Mutual Fire becoming those of the Manhattan. The change in the title is a decided improvement, and the management is entirely competent to establish a high reputation for the company.

PROVIDENT SAVINGS REPORT.

As this issue of the INSURANCE OBSERVER goes to press we learn that the report of the examination of the Provident Savings Life Assurance Society by the New York Department has been filed with the department. We must defer a review of the report until our next issue.

LEFT IT IMPREGNABLE.

The New York Insurance Department has provided the American Union Life Insurance Company with an invaluable canvassing document. At least it is one which the company need not hesitate to put into the hands of either its friends or its enemies. The document is the report of the Chief Examiner of the Department, Isaac Vanderpoel, based upon an examination of the company as of June 30, 1897.

In valuing the assets of the company, the examiner refused it the benefit of any doubt, and the report admits that securities having some value were excluded because of inability to get at their real market value. Still the report allows the company a total of \$361,481 of assets of unquestionable value, while the total liabilities are only \$132,555. A total of \$273 assets for each \$100 of liabilities is thus shown, while the company has in cash and Government bonds alone more than sufficient to meet every dollar of its obligations. Such a result after the winnow of State supervision has done its worst with the assets of the company leaves the American Union in a position to defy any adverse criticism.

It is interesting to note that even while the company was under fire of criticism from enemies, it has been increasing its business at a rapid rate. The returns already in justify the management in announcing that the insurance in force at the end of the year will show an increase of nearly \$4,000,000, equal to 50 per cent. of the total on its books on December 31, 1896, while the premium receipts will show an increase of \$75,000.

The American Union is earning an enviable reputation as a prompt payer of claims, and deservedly so, as indicated in the Department report, which shows only \$4,500 of death losses unpaid, and that only because the necessary papers in connection with the claim had not been submitted in time. The Examiner officially says: "Death losses and claims have been promptly paid, and the corporation's affairs have been administered strictly within the requirements of the insurance law of the State."

"On this record of ability to pay, and willingness to pay, the American Union can afford to stand and invite popular favor.

It is due to Mr. Charles S. Whitney, the executive management of the company, to say that the splendid showing made by the American Union is the direct result of his personal effort and genius.

THE NATIONAL LIFE.

There was but one thing for the National Life Association of Hartford to do to avoid paying the penalty of its past management's delinquencies, and we are glad to know that it has done it. To the presidency of the association has been called a gentleman who, by his experience and ability as an insurance man, and his character as an honest upright gentleman, is as well qualified as anyone whom we know to undertake the task of rehabilitating the association in the confidence of its policy holders. Mr. Stephen Ball, the newly selected President, for thirty years past has been connected with the Hartford Life & Annuity Insurance Company, later the Hartford Life Insurance Company, for most of the time as its honored and capable Secretary. His reputation is of the highest, and if the association to which he has taken his talents and virtues is to live down its past and make a glorious future, Mr. Stephen Ball is the one man in a thousand who can accomplish it. Assistant Secretary Frederick H. Calkins, who has been with the association three

years, has been made Secretary, and he commands the confidence of the present directors. The Fletcher holdings of stock have been put in trust for twenty years to be voted by the directors, and the new management is consequently secure from any interference on the part of those responsible for the past wrong doing.

SELECTION.

The Darwinian doctrine of "selection and rejection," propagated at the Underwriters' Convention by Mr. E. C. Irvin, has caused quite a chatter among the anthropoids in the simian menagerie, and each doth loudly protest that he is a man. The necessity of the protest precludes discussion of the question. There are many insurance journals of recognized merit which have found it unnecessary to echo Mr. Irvin's doctrine, or to make wordy arguments to demonstrate to themselves their right to survive. The *Insurance Record* is one of these, and long may it rely upon its own merits to speak its praises, leaving it to the incompetents and long tailed vermin to affect in speech what they lack in cranial development.

The *Insurance Record* cleverly disposes of the eminent doctrine by presenting an exhibit of the expenses of the company which he manages. Out of a total of about \$2,700,000 disbursed by the company, \$444.57 was spent for incidentals, under which head must be included advertising expenses if there were any. Our contemporary concludes that if Mr. Irvin "alone were depended upon he would probably 'select' the entire press out of existence." Wisely said, friend *Record*. For you at least "selection" has no fears.

BRANCH BANKING.

A very thoughtful argument in favor of branch banking is contained in a letter written by Mr. Richard A. McCurdy, President of the Mutual Life Insurance Company, to President Robert J. Lowry of the American Bankers' Association. The letter was written last May and now appears in the last annual report of the association. Mr. McCurdy has evidently given careful thought to the subject and has personally investigated the working of the system in other countries.

The fact that in England, Scotland, France and Canada the branch bank system has been operated with the greatest efficiency and to the unquestionable advantage of the public admits of no question, and were it certain that the same results would follow the introduction of the system into this country, there would be nothing for any sane man to do but to urge its adoption at the earliest practicable moment. There is, however, room for very grave doubt as to the advantage to be gained by transplanting to our soil a system, which under the favorable conditions existing abroad, and which do not yet exist here, has flourished and prospered.

There is such a radical difference in the methods of banking in this country, as compared with others, that it is almost an impossibility to draw a parallel. Even among our own banks the differences are so great as to make them alike in only one particular, the receiving of deposits. In England, in particular, the business of the small depositor is invited, and he is neither shut out from the advantages of having a bank account nor denied the privilege of accommodation because his average balances are small. The English banks have a way of making every account pay the cost of handling it, and no depositor is turned away because of his inability to keep a big balance.

Here the largest banks, and it is upon these the duty of establishing branches would fall, have no use for the small de-

positor. A minimum balance of \$1,500 or more is the necessary passport to entry upon the list of the bank's depositors. The banks that handle millions rise superior to the annoyance of dealing in hundreds.

When it comes to the matter of accommodation, the small dealer, the tradesman of limited resources, are not in it at all. It is so much easier, so much more profitable to do a pawn-broking business, to lend on call one million dollars on two millions of gilt edged securities, with the privilege of demanding more security at any time, that the discounting of commercial paper is not to be thought of except in the case of the most favored customers, or when money is practically going a begging for lack of horrowing demand.

There are a number of banks in New York City now, which were they to incorporate their present methods into the management of innumerable branches would become a menace to the country and a drain upon its resources for the benefit of speculation.

It is true that many sections of the country are deprived of banking facilities. It is also true that in a majority of cases they are without resources that would justify the establishing of any kind of a bank. While branch banks might be operated in some places where independent banks could not be established, it is a very serious question whether the interests of the 70,000,000 people are to be well served by creating a system, which, while it may serve a few sections now in need of banking facilities, will drive out of existence thousands of independent banks that are serving their respective communities as no branch of our millionaire institutions is likely to do.

The branch system tends toward monopoly, and while we are no disciples of the anti-monopoly gospel as preached in the chapels of socialism and anarchism, there is, nevertheless, no question in our mind that the present drift towards the concentration of vast amounts of capital into the hands of few men frequently indifferent as to the methods they employ in its use, is inviting very serious complications in our social and political existence.

Mr. McCurdy contends that the system of branch banking would not centralize power and profits among the capitalists of the great cities, but would have a potent influence to distribute them among the people of the country. In support of this point he refers to the large number of stockholders in the leading English banks having many branches. We need mention only one, the National Provincial Bank of England, which has a paid up capital of \$15,000,000, surplus of \$10,000,000, and deposits of \$225,000,000. Its shareholders number 12,800. We have no bank in this country carrying anything like as large a line of deposits, but we have six banks in this city, whose aggregate deposits approximate \$225,000,000. Their combined capital is \$6,500,000 and surplus \$23,000,000. The surplus and capital together amount to \$29,500,000 as against only \$25,000,000 for the Provincial Bank.

We are unable to say how many shareholders the six New York banks have, but if anyone imagines that they number 12,800, he is very far out in his reckoning. The fact is that the shareholders are comparatively few, that the control of the immense resources of those institutions is centralized in the hands of less than 50 capitalists, and the tendency is by the increase in surplus and reduction of capital, to still further centralize such power.

Were it necessary to extend the inquiry further, we might

refer to the tendency in the same direction which is noticeable in the large life insurance companies. But we need not travel the vast labyrinth of investments of those companies and show how complex and extensive is their control of financial institutions. Enough that the evidence is overwhelming that the control of most of our banking and moneyed institutions is lodged in very few hands. The financial aristocracy will not equal in numbers the social aristocracy whose limit was placed at 402.

The experience of Canada justifies the view we entertain on this subject. There has not been a single bank organized in that country in ten years at least, while the total number of banks has been reduced by consolidations. Admittedly the branch bank system works well in that country, which has no state line barriers to overcome. Nevertheless, it fosters the growth of existing institutions and the discouragement of new competition. In this country we believe the worst features of the system would be exaggerated, and its best features minimized.

IOWA LIFE INSURANCE COMPANY.

The Iowa Life Insurance Company in its annual statement for 1896 reported total assets on December 31, 1896, of \$414,842, and a surplus to policy holders of \$146,830. The total income for the year was \$328,971; disbursements, \$251,739, of which \$53,239 was for death claims and \$14,123 for surrender policies. The company wrote \$6,425,657 insurance during the year, and had outstanding insurance at the close of the year \$10,090,000. These figures have since been verified by the Insurance Departments of Iowa and South Dakota, which examined the company last September, and recently published their reports. Insurance Commissioner C. G. McCarthy in a letter to President C. E. Mabie, of the company, makes the following comments on the result of the examination by his department:

"I find that the annual statement of the Iowa Life Insurance Company rendered to this Department at the close of business on December 31, 1896, was verified. This report also shows the receipts and disbursements of the company up to and including May 31, 1897. I am pleased to note that the company is doing a prosperous business; that it has been prompt in its adjustment of losses; that the loans on bonds and mortgages included in the assets are well secured by real estate, as provided by the laws of the State of Iowa, averaging over 7 per cent. interest; that the loans on collaterals and stocks included in the assets are of the average class of investments made by life insurance companies; and that the management of the affairs of the company is honestly and conscientiously conducted. The report further shows that the company is thoroughly solvent. I am advised that some recommendations have been made with reference to making some changes in both your system of bookkeeping and your agency contracts, and that assurances have been given that such recommendations will be complied with on your part as closely as practicable. It should be gratifying to the management, the stockholders and the policy holders of the company that, notwithstanding the panic of 1893, and the depression of business following thereafter, making the burdens excessive, it has been able to hold and build up its business in the face of conditions that other lines of business have sunk under."

Insurance Commissioner J. H. Kipp, of South Dakota, gives the company an equally flattering notice, concluding with the following: "I feel that the management of your company is deserving of congratulation for the untiring efforts which have been put forth to build up so large a business in the face of the depressed business and financial condition which has existed during the past four years, and brought disaster to many lines of business. The present condition of your company should be especially gratifying to your many policy holders."

President Mabie has reason to be pleased with so generous an endorsement of the methods of the company he is managing so successfully.

STATE SUPERVISION.

NEW YORK, NOV. 8, 1897.

EDITOR OF INSURANCE OBSERVER.

Sir:—The grave apprehensions for the safety of their insurance interests felt by Massachusetts policy holders of late, on account of public disclosures touching the character of their state insurance official, would be shared by policy holders throughout the country if a certain momentous event of 1894 were properly described to them. In that year the New York Life Insurance Company invited an examination by the insurance officials of seven different states.

The examination of a company by an insurance department, resulting in a complete endorsement of it, is supposed (except by the few whose eyes have been opened) to carry a guarantee that the company is not only solvent, but also is in good hands. How much more valuable then would seem to be such an examination by the insurance departments of seven different states. We may assume that John A. McCall, President of the New York Life Insurance Company, reasoned in some such guileless manner as that, for we know from the advertisement of the company that he is guileless past belief. It is not surprising then that in 1894 he invited the insurance officials of the following states to come to New York and examine the company: Massachusetts, G. S. Merrill, Insurance Commissioner; Kansas, S. N. Snyder, Superintendent of Insurance; Kentucky, H. F. Duncan, Insurance Commissioner; Illinois, B. K. Darlee, Superintendent of Insurance; Missouri, J. K. Waddill, Superintendent of Insurance; Ohio, W. M. Hahn, Superintendent of Insurance; Texas, J. E. Hollingsworth, Insurance Commissioner.

It was clear enough at the outset that the labors of these already over-worked servants of the people would be most exhausting, and it was therefore only meet that they should be comfortably housed during the weary months that lay before them. Accordingly, they were quartered at the expensive hotel at Normandy-by-the-Sea until the close of the season at the seashore, when they removed to the Windsor Hotel on Fifth Avenue. Nor did the company fail to guard against loneliness and unrest on the part of these seven guardians, as tending to impair the critical judgment and dim the penetrating eye. So they were asked to invite their wives to come too, and enliven the precincts of Normandy and Windsor. The wives came—at least they all came but one, who was kept at home by illness. True, all this was expensive, but, dear me! that doesn't matter at all. The policy holders have had a thorough schooling in footing bills, and they footed this one cheerfully, if not joyfully. Besides, it didn't amount to much—only \$48,000.

What did the policy holders get in return? They got an examination which was published in several different forms, the largest of them being nearly two feet long. Then there were smaller forms of it—lovely little epitomes as it were, of downright, absolute facts, which one might carry in his pocket. I have heard that somebody has questioned the truthfulness of the report. Go to, thou scuffer! Were there not long detailed lists of securities and bonds and mortgages and temporary loans? Is it not known that the publication of those lists proves that all the company's transactions in those branches of the business are straight and true? Does it not prove that the company's European business, the South American business, the relations of the management to the trustees, the cash deposits of the company, most of all, the tontine fund, are all so utterly correct that the argus eyes of the unselfish, under-paid officers, watching night and day lest one penny of the policy holders' money should be wasted, can find no flaw in them? Let me beg my reader, should he meet that scuffer, to remind him of these things; and say to him, moreover, that the books of the company are always open to the policy holders, for one of the trustees said so not long ago at one of the company's rich and sumptuous dinners to the policy holders (!). And tell him, further, that this is a company of the policy holders, by the policy holders, for the policy holders; for the president said it—he of the guileless heart and fearless eye. And furthermore and moreover and likewise and

besides, when he said it, he adopted the thought of Lincoln. Truly kindred spirits have thoughts in common!

All this aside, let us look seriously a moment at this monstrous "examination," for which the management acknowledge that they paid \$41,000 of the policy holders' money. What did the policy holders really get for their money? They got an examination which was worse than none at all, for it was false and misleading. The asset values of the real estate as embodied in the report contained amounts which had been carried there fraudulently, and should have been eliminated. As to the values, in particular, of the European real estate owned by the company, one might suppose that these examiners would have hesitated to judge of their market value; for what could they know of the subject? But, evidently, knowledge of the subject was quite unnecessary. It probably suited the management to have those values raised; and as the seven guardians were inclined to be accommodating, raised the values were. True, none of the seven officials went over to look at those properties. That would have been unnecessary in an examination of the kind we are considering. The amounts thus added to the asset values of the European properties were:

Paris real estate.....	\$379,600.00
Berlin real estate.....	58,988.43
Vienna real estate.....	67,135.00
Amsterdam real estate.....	17,533.46
Total	\$417,366.89

It should be observed that the value at which the Paris building had stood before the above advance was the value fixed upon it by the French government in 1891 at the request of the New York Insurance Department, and that value was then adopted. Our seven worthies showed an amazing knowledge of foreign real estate, even at a distance of thousands of miles.

As to the tontine system of the company, which is chiefly responsible for the gigantic abuse of trust constantly going on, it was not looked into at all. Irregularities exist between returns made to different policy holders on their tontine policies; but those irregularities, as well as others, were quite safe from detection. Other branches of the company's business might be named, which were entirely free from supervision.

If the public at large could but know the true inwardness of this farcical examination, there would be a busy packing of grips and an exodus to foreign lands—not on the part of the public at large. What a spectacle is it to any man who cares for his country. The insurance officials of seven different states of our boasted free government come to New York at the instance of a corporation. They make a one-sided examination and issue a specious report which is advertised everywhere for the deception of the policy holders. Then, although the seven officials receive salaries from their own states, each one of them returns to his dishonored commonwealth with a check for \$1,000 in his pocket, received from the company for his services. (Major Merrill we understand returned his check to the company.—*Editor*.) It should be added that the man who was leaser among this noteworthy seven was Merrill of Massachusetts, who lately resigned from his position in that estate, a discredited official.

AN OBSERVER.

THE MUTUAL LIFE AT THE TENNESSEE CENTENNIAL.

The Mutual Life has opened headquarters at the Tennessee Centennial, now being held at Nashville. It occupies the space adjoining the New York State Building on Capitol Avenue, where it will keep open house during the continuance of the Centennial. We acknowledge receipt of an interesting souvenir of the Centennial with the compliments of the Southern Agencies, in the shape of a coin purse. It is a useful reminder that he who would put money in his purse should insure his life—in the Mutual Life.

ECHO OF THE CAMPAIGN.

The recent political campaign had many very lively features, not the least sensational of which was the injection of the personality of the late Cashier (now —?) of the New York Life Insurance Company, Mr. Theodore M. Banta. We publish below in sequence the pro and con of the controversy which involved an alleged event, said to have occurred when Mr. Beers was president. A fitting sequel is the sworn endorsement which Mr. Banta gave to the McCall management in 1894, or is alleged to have given. Under the circumstances it seems proper to ask did he or did he not make the affidavit, and if he did it was or was it not true?

MR. BANTA SAID IT.

A few years ago Senator Thomas C. Platt made a demand upon the New York Life Insurance Company for \$50,000. The directors met immediately, and decided that a refusal would result in hostile legislation against their company, they decided to comply with Platt's demand. Theodore M. Banta, the Treasurer of the company, was ordered to pay the money to Mr. Platt. Mr. Banta, being a courageous man, refused to make the payment. The President of the company was in Europe, and the directors sent him a cable message, imploring him to order the Treasurer to pay \$50,000 to this man Platt.

Buck faxed a message to Mr. Banta, ordering him to pay it, but he was obstinate still, and refused to draw the check. In desperation, the directors met again, and a large sum of the company's money was paid to Platt, without, however, Mr. Banta having drawn a check for the amount. I cannot divulge to you my source of information, but I reiterate my statements, one and all, and, further, I tell you that, though I have never met Mr. Banta, I know that he stands ready to corroborate them.—(Speech of JOHN BURGESS LEAVITT.)

DID NOT SAY IT.

The statements this day published purporting to have been made by John B. Leavitt at a public meeting last night, charging Senator Thomas C. Platt with making a demand upon this company for money, and detailing incidents connected therewith, and the payment of such money, are wholly and unqualifiedly false in each and every particular.

THEODORE M. BANTA.

DID SAY IT.

My informant was Theodore M. Banta, Cashier of the New York Life. In the first conversation I understood him to say that Mr. Platt called for \$50,000, and Mr. Banta blocked the game by refusing to sign the check, and that the money got to Mr. Platt in spite of this. In a later conversation he carried the idea that he did not know whether Mr. Platt got the money or not.

DID NOT SAY IT.

I am positive I had no conversation with him (Mr. Dawson) in regard to Mr. Platt demanding \$50,000 from us. * * * There is not a shadow of truth in the letter he has written or the statement purporting to have been made by Mr. Leavitt.

DID SAY IT.

I know that I have conscientiously told the truth. * * * It may be that, as Mr. Banta says, this story is without foundation. I almost believe myself that it is, since my only confidence in its truth has rested upon the story of a man whom I now know to have lied about having told it to me. Under such circumstances, a story that rests at best wholly upon his veracity must be deemed doubtful. If he will now tell a falsehood in order to shield himself from the consequences of talking too freely, it is credible that he may have told a falsehood then in order to make my statement for his impregnable virtue. This is also the more credible, since his first and second versions to me disagreed, the second being a distinct "helge."

MILES M. DAWSON.

AND AGAIN HE DID SAY IT.

About two years ago Mr. Banta, cashier of the New York Life, told me that he knew of Thomas C. Platt coming to the New York Life and getting money for political purposes. I said to Mr. Banta, "Are you sure that it is true, Mr. Banta?" His reply was, "I know it to be true."

This may not be the exact language which was used, but of the fact that he made the statement to me there cannot be the smallest possible doubt. Very truly yours,

GEORGE A. DENNISON.

P. S.—I wish to add that Mr. Banta stated that Platt got the money in bills.

QUERY—DID HE SAY THIS?

(Extract from Report of Seven States Commissioners on New York Life Insurance Company.)

Questions asked Theodore M. Banta, Cashier.

Q. 1. Since the advent of the present administration has any money, within your knowledge, been paid for unlawful or illegitimate purposes? Ans. No.

Q. 2. Are all of the stocks, bonds, and other securities and property presented to the Commissioners, the actual and sole property of the Company? Ans. Yes.

Q. 3. Is the cash in banks and cash reported as held by the several officers of the Company, the sole property of the Company and not borrowed for temporary purposes in making the statement presented? Ans. Yes.

New York, October 26, 1894.

State of New York.
City and County of New York.

Theodore M. Banta, being duly sworn, deposes and says that he is the Cashier of the New York Life Insurance Company; that he has read the several questions heretofore set forth, and that the answers given thereto are correct to the best of his information, knowledge and belief.

H. DE L. RANDALL, Notary Public, Kings County.
Certificate filed in New York County.

OBSERVATIONS.

What is this we hear about Mrs. E. B. Harper beginning a "friendly suit" against the M. R. F.? It always seems to us, that contracts ought to be drawn so that insurance men, at least, can understand them.—Insurance Record.

Probably Mrs. E. B. Harper does not consider herself an insurance man.

Insurance Superintendent Louis F. Fays is getting good or rich. Buys potatoes for the poor and makes contributions to negro churches. To "Pay's African Methodist Church of Chatham, N. Y.," he has given \$100, and "promised to secure \$300 more from other sources." Mr. Fays is fortunate in having both sources and resources, and he has only to keep on in his well doing to become a formidable rival of John Y. McKane in the affection of Methodists.

National Fire Insurance Company,

HARTFORD, CONN.

JAMES NICHOLS, President. E. G. RICHARDS, Secretary.
B. R. STILLMAN, Assistant Secretary.

Head Office, 95 Pearl Street, Hartford, Conn.

WESTERN DEPARTMENT. General Agent.
FRED B. JAMES, G. W. BLOSSOM, Assistant General Agent.
Office, 114 La Salle Street, Chicago.

PACIFIC DEPARTMENT. Manager.
GEORGE B. DOWNS, GEORGE W. JOHNSON, Assistant Manager.
Office, 409 California Street, San Francisco.

Royal INSURANCE COMPANY
(FIRE)
Of Liverpool, England.

STATEMENT OF UNITED STATES BRANCH,

JANUARY 1, 1897.

Assets, { held in the U. S. for the special use of } \$7,481,311.62
{ trustees of the American Policy Holders. }

Liabilities, - - - 5,126,654.72

Net Surplus, - - - \$2,354,656.90

Agencies in all the Principal Cities, Towns and Villages in the United States.

The Travelers

Insurance Company

OF HARTFORD, CONN.

JAMES G. BATTERSON, President.

Cash Capital Paid Up, . . .	\$1,000,000
Gross Assets, . . .	\$20,896,684.63
Surplus to Policy Holders, . .	3,365,161.39
Premiums received, 6 months, 1897, .	2,833,794.91

Life, Accident,
and
Employers' Liability
Insurance

At the Lowest Stock Rates.

THE ORIGINAL ACCIDENT INSURANCE COMPANY
IN THE UNITED STATES.

→ OLDEST, LARGEST AND BEST. →

NEW YORK OFFICE:

31 NASSAU STREET.

The Liverpool and London and Globe Insurance Company.

UNITED STATES STATEMENT, DEC. 31, 1896.

Assets,	\$9,339,542.35
Liabilities,	5,246,045.00
Surplus,	4,093,497.35

New York Office, 45 WILLIAM ST.

H. W. EATON, Resident Manager.

GEO. W. HOYT, Deputy Manager.

JOHN J. MARTIN, Agency Supt.

THE LEADING Industrial Insurance Company OF AMERICA.

CANVASSERS WANTED

IN ALL PRINCIPAL CITIES OF THE

New England, Middle and Western States, and Canada,

BY THE

METROPOLITAN LIFE INS. CO. OF NEW YORK,

POOL 173

PLAN OF INDUSTRIAL INSURANCE.

This plan embraces all the members of a family, male and female, between ages 2 and 70. Premiums from five to sixty cents per week. Claims paid immediately at death. Premiums collected weekly from the homes of policy holders. Bonuses range from \$15 to \$1,500 and upwards.

All needed explanations will be furnished upon application to the Company's Superintendents in any of the principal cities, or to the Home Office in New York.

JOHN R. HEGEMAN, President.

HALEY FISKE, Vice-President. GEORGE B. GASTON, 2d Vice-President.

GEORGE B. WOODWARD, Secretary.

J. J. THOMPSON, Cashier & Assistant Secretaries.

JAMES F. CRAIG, Actuary.

THOMAS H. WILLARD, M. D., Medical Director.

STEWART L. WOODFORD, Counsel.

JAMESON & FRELINGHUYSEN,
General Agents and Managers,
80 & 82 WILLIAM ST., NEW YORK.

JULY 1, 1897.

GLOBE FIRE INSURANCE CO. Capital, \$200,000. Assets, \$759,164.38. Surplus, \$63,590.54.

INSURANCE COMPANY OF THE STATE OF NEW YORK. Capital, \$200,000. Assets, \$921,235.76. Surplus, \$20,694.72.

BROADWAY INSURANCE CO. Capital, \$200,000. Assets, \$338,313.63. Surplus, \$41,000.

MANUFACTURERS LLOYDS. Assets, \$292,822.09. Security as to Policyholders, \$452,622.09.



THE FIDELITY
MUTUAL LIFE ASSOCIATION
Liberal Contracts
Flexible Level Premiums
Absolute Security
S. C. BOLLING
SUPERINTENDENT OF AGENCIES
PHILADELPHIA, PA.

NORTHERN ASSURANCE COMPANY

OF LONDON, ENGLAND.

Established 1836.

Losses Paid over \$44,000,000.

Eastern and Southern Departments.

38 PINE STREET, NEW YORK CITY.

G. W. BARR, Jr., Manager.

T. A. RALSTON, Sub-Manager.

QUEEN

Ins. Co. of America,
NEW YORK.

AMERICAN UNION LIFE INSURANCE COMPANY.

CAPITAL, - - - \$500,000

Bowling Green Building, 5, 7, 9, 11 Broadway, New York.

SAFE LOW-PRICED LIFE INSURANCE.

AGENTS WANTED. LIBERAL CONTRACTS.

Address, Home Office.

M. M. BELDING,	E. S. SAVAGE,
PRESIDENT.	2D VICE-PRESIDENT.
CHAS. S. WHITNEY,	JOHN NAPIER,
VICE-PRESIDENT.	SECRETARY.

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY

OF LONDON AND EDINBURGH.

ESTABLISHED 1809.

Office: Corner Pine and William Streets,
NEW YORK CITY.

THE EMPLOYERS' Liability Assurance Co., (LIMITED),

OF LONDON, ENGLAND.

The Oldest and Strongest Liability Company in the World.

This company has had many more years of experience in liability business than any other company.
It conducts its business at a lower ratio of expense than any other company.

S. STANLEY BROWN, General Manager, London. GEORGE MURDOCK KENDRICK, Manager and Attorney for U. S. DWIGHT, SMITH & LILLIE, General Agents, 81 Cedar St., N. Y.

The Largest Fire Insurance Company in Germany.

TRANSACTS A FIRE BUSINESS ONLY.

MAGDEBURG

FIRE INSURANCE CO.

OF MAGDEBURG, GERMANY.

ESTABLISHED 1844.

TRUSTEES IN THE UNITED STATES:

FREDERICK P. OLCOFF, President Central Trust Co., New York, ERNST THALMANN, of Ludenburgh, Thalmann & Co., Bankers, New York WILLIAM ALLEN BUTLER, of Butler, Notman, Jolles & Mynders, Counselors at Law, New York.

P. E. HASOR, Manager. AD. DOHMEYER, Asst. Manager.

THE Lancashire Insurance Company

OF MANCHESTER, ENGLAND.

25 Pine Street, New York.

General Manager, - - DIGBY JOHNSON.

January 1, 1897.	
Assets, - - - - -	\$2,407,890.04
Liabilities, - - - - -	1,987,814.70
Net Surplus, - - - - -	\$770,041.34

Trustees in the United States.
DONALD MACKAY, Esq., of Varnette & Co. CHRISTIAN M. REED, Esq., of Biss, Fabyan & Co. H. J. FAIRCHILD, Esq., of The H. B. Claflin Co. EDWARD LITCHFIELD, Manager New York Office. M. FAIRCHILD, Assistant Manager New York Office.

Continental Insurance Company

OF NEW YORK CITY.

Extract from Statement made January 1, 1897.

Cash capital	\$1,000,000.00
Reserves for Insurance in force, etc.	4,810,188.37
Net surplus	3,564,818.70
Policy-holders' surplus	3,564,818.70
Gross assets	7,776,347.13

SAFETY FUND POLICIES ISSUED.

Main Office, CONTINENTAL BUILDING, 46 Cedar St., New York.

F. C. MOORE, President. HENRY EVANS, Vice-President.
EDWARD LANNING, Secretary.

R. J. TAYLOR, Manager Loss Department.

J. J. McDONALD, General Manager. GEO. E. KLINE, Asst. to Gen'l Mgr.,
Western Department, 312 Madison Building, Chicago, Ill.

RESPONSIBLE AGENTS WANTED.

G. LEE STOUT, Pres. J. B. MULLIN, Sec.

THE MERCHANTS' INSURANCE CO.

OF NEWARK, N.J.

Penn Mutual Life Insurance Co.

OF PHILADELPHIA, PA.

GRAND ASSETS	\$89,405,529.08
SURPLUS	8,564,126.70

The Penn is purely MUTUAL. Insurance is furnished at exact cost. Its factors—mortality, interest and expense—have all been highly favorable in this company. All policies are absolutely Non-Forfeiture for reserve value, the latter being applied to "FUTURE" or to "PAID-UP," as may be desired. Its policies are free from technicalities, and become incontestable for any cause after Two years.

HARRY F. WEST, President.

GEORGE K. JOHNSON, Vice-Pres. JOHN W. HANER, Mgr. Loan Dept.
HENRY C. BROWN, Sec. and Treas. H. C. LIPPINCOTT, Mgr. of Agencies.
JESSE J. BARKER, Actuary. H. R. HALLOWELL, Asst. Sec. & Treas.

COMMENCED BUSINESS IN APRIL, 1892.

UNDERWRITERS AT MUTUAL LLOYDS,

45, 47 & 49 Cedar Street, New York.

FINANCIAL STATEMENT

For Year ending December 31st, 1895.

Assets	\$232,141.03
Liabilities	189,778.24
Surplus	\$42,362.79

JOSEPH C. HATIE,

Attorney for Underwriters.

FIDELITY & CASUALTY CO.

OF NEW YORK.

97-103 CEDAR STREET.



ASSETS	\$8,796,237.84
SURPLUS	416,744.50
LOSSES PAID	8,119,466.81

CASUALTY INSURANCE SPECIALISTS.

Bonds of Suretyship for persons in positions of trust.
Personal Accident, Fire, Glass, Boiler, Elevator,
Employees', Landlords', and Common Carriers' Liability.

OFFICERS.

GEORGE F. SEWARD, President.
ROBERT J. HILLAS, Treas. and Sec.
EDWARD L. SEAW, Asst. Sec.

London and Lancashire

Fire Insurance Co.

OF LIVERPOOL, ENG.

NEW YORK DEPARTMENT.

57 & 59 WILLIAM ST.,
NEW YORK.

A. G. McILWAINE, Jr.,
Manager.



Manhattan Fire Insurance Company

OF THE CITY OF NEW YORK,

45, 47 & 49 CEDAR STREET.

ORGANIZED 1869.

Agencies in the Principal Cities and Towns throughout the United States.

R. A. LOEWENTHAL, President.

AARON CARTER, Vice President.

WM. A. FRANCIS, Secretary.

H. W. KADIE, Assistant Secretary.

1850.

1897.

The United States LIFE INSURANCE COMPANY

In the City of New York.

All Policies now issued by this company contain the following clauses:

"After one year from the date of issue, the liability of the company under this policy shall not be disputed."

"This policy contains no restriction whatever upon the insured, in respect either of travel, residence or occupation."

All Death Claims paid WITHOUT DISCOUNT as soon as satisfactory proofs have been received.

Active and successful Agents, wishing to represent this Company, may communicate with the President, at the HOME OFFICE, 261 BROADWAY, NEW YORK.

OFFICERS.

GEORGE H. BURFORD, President.

C. F. FRALEIGH, Secretary. A. WHEELWRIGHT, Assistant Sec'y
WM. T. STANBEN, Actuary. ARTHUR C. PERRY, Cashier.
JOHN F. MUNN, Medical Director.

FINANCE COMMITTEE.

GEORGE O. WILLIAMS, President Chemical National Bank.
JOHN J. TUCKER, Treasurer National Bank.
E. R. PERKINS, Jr., President Importers' and Traders' National Bank.
JAMES R. FLINN, Leather

Sun Insurance Office.

FOUNDED A. D. 1710.

The Oldest Purely Fire Insurance Company in the World.

Chief Office for the United States,
COMPANY'S BUILDING, 54 PINE ST., NEW YORK.

J. J. GUILLE, Manager.

J. J. PURCELL, Assistant Manager.
A. M. THORBURN, Secretary.

COMMERCIAL UNION ASSURANCE CO., (LIMITED) OF LONDON.

Office: Cor. Pine and William Streets,
NEW YORK.

GERMANIA FIRE INSURANCE CO.,

62 & 64 William, corner Cedar Street, New York.

STATEMENT, JANUARY 1, 1897.

Cash capital.....	\$1,000,000.00
Reserve for unexpired policies.....	1,314,473.94
Reserve for losses under adjustment.....	67,760.40
Reserve for all other claims.....	39,500.40
Net surplus.....	1,421,734.74
Total assets.....	\$2,844,741.27

RUGO NECHMANN, President.

FR. VON BERNUTH, Vice-President. CHAS. BUYERHAVER, Secretary.
GEO. B. EDWARDS, Vice-President. GUSTAV KEHR, Assistant Sec'y.

WESTERN ASSURANCE COMPANY.

Head Office, - - TORONTO, CANADA.

Incorporated 1851.

HON. GEORGE A. COX, J. J. KENNY,
President. Vice-Pres. and Mgr. Director.

United States Statement, January 1, 1897.

Assets, - - - - -	\$1,636,689.35
Surplus in United States, - - - - -	547,781.06

HANOVER FIRE INSURANCE CO. Of New York.

AGENCIES IN ALL THE PRINCIPAL PLACES IN THE
UNITED STATES.



FOR FIRE INSURANCE.
Assets in United States, - - - - - \$5,581,844.71
Net Surplus, - - - - - 950,418.94
Writing Large Lines on Desirable Business.
Applications for Agencies or Information should be addressed
For Eastern and Middle States:
WILLIAM HILL, WILLIAM WOOD, JERRY MANASSA.
WILLIAM M. SALLARD, Insurance Secretary,
21 NASSAU STREET (Equitable Building), NEW YORK.

HAVE YOU SEEN THE LATEST AND BEST POLICY?

SUBJECT TO THE
INVALUABLE MAINE NON-FORFEITURE LAW

And Contains all Up-to-date Features.

PLANS: **UNION** Incorporated 1848.
Term: **MUTUAL** Reliable Agents
Annual Divi- **LIFE** Insurance Always
dend or **Life** Company. Wanted
Renewable
Term.

FRED E. RICHARDS, President.
ARTHUR L. GATES, Vice Pres.
Address either: 150 Nassau Street, N. Y. City.
THORNTON CHASE, Sup't., 14 Adams Street, Chicago, Ill.

CALEDONIAN INSURANCE CO. OF SCOTLAND. Founded 1805.

"THE OLDEST SCOTTISH INSURANCE OFFICE."

United States Head Office, 27-29 PINE ST., N. Y. CITY

STATEMENT, JANUARY 1st. 1897.

Assets, - - - - -	\$5,101,190
Liabilities, - - - - -	1,178,661
Net Surplus in the United States, - - - - -	\$3,922,529

CHARLES H. FORT, U. S. Manager. N. A. McKEEL, Assistant U. S. Manager.

Bankers' Life Insurance Company OF THE CITY OF NEW YORK. RICHARD MORGAN, President. Home Office, No. 31 Nassau St.

The Whole Life and Five-year Renewable Term Policies of the
BANKERS' LIFE are simply business contracts for pure life insurance,
and are free from objectionable clauses usually embodied
in the policies of other companies.

For full particulars and terms to Agents, apply to

F. A. BEAUMONT, Manager of Agencies.



The Best Policies. The Best Commissions.

ACTIVE AGENTS WANTED.

KIMBALL G. ATWOOD, SECRETARY,
256 & 257 BROADWAY, NEW YORK.

ASSETS, over \$400,000.

SURPLUS to Policyholders, \$203,000.

PHENIX

INSURANCE COMPANY

OF BROOKLYN, N. Y.

NEW YORK OFFICE,

47 CEDAR STREET.



THE
Metropolitan Plate Glass
Insurance Company

OF NEW YORK.

Chartered 1874.

THE OLDEST NEW YORK COMPANY IN ITS LINE, AND THE ONE HAVING THE LARGEST NET SURPLUS

January 1, 1897.

Assets, - - - \$462,175.22
Capital and Net Surplus, - - - 318,872.77

Edison H. Wemyss, - - - President
Damon D. Wemyss, - - - V-President
S. W. Benson, - - - Sec'y.
Chas. F. French, Gen. Agent,
No. 146 La Salle St., Chicago.

NEW YORK UNDERWRITERS AGENCY

(INCORPORATED)

REORGANIZED 1894.

Local Agents in all Prominent Localities in the United States.

Office: 100 William Street, New York.

A. & J. H. STODDART, General Agents.

THE

Manhattan Life

Insurance Company,

NEW YORK.

THE

WASHINGTON

Life Insurance Company

OF NEW YORK.

Assets, - - - \$14,000,000

W. A. BREWER, Jr., President.

The Policies issued by The Washington are non-forfeitable after three years; incontestable and unrestricted as to residence, travel and occupation after two years.

ADDRESS. E. S. FRENCH, Vice-President,
21 Cortlandt Street, New York City.

LOYDS
PLATE GLASS
Insurance Company

Cash Capital \$250,000. OF NEW YORK Incorporated 1852.

W. T. WOODS, President.

D. B. HALSTEAD, Vice-President.

C. E. W. CHAMBERS, Secretary

BUNNETT ON BONDS.
American Surety Co.,
 100 BROADWAY, NEW YORK.



Bonds issued for Employers, Administrators,
 Guardians and in Judicial Proceedings.

W. L. TRENBLE, President.

HERSH B. LYMAN, Vice-President.

Resident Trustees, New York.

Wm. A. Woodcock,

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Andrew Mills,

Joe Sullivan.

CAPITAL - - - \$2,500,000.

BONDSMEN SUPERSEDED.

Statement, December 31, 1896.

RESOURCES (including capital, \$2,500,000).....\$2,122,902.78
 LIABILITIES (including reserve, \$307,940.98).....\$39,100.81

1860—1897.
United Firemen's Insurance Co.,
 PHILADELPHIA.

Assets, January 1, 1897, - - - \$1,428,021
 Surplus to Policy Holders, - - - 502,568
 Capital, - - - 300,000

ROBERT B. BEATH, President.

DENNIS J. SWEENEY, Secretary.

The Prudential



Had for 1896
 the
 Largest Increase in
 Income
 of any Life Insurance
 Company
 in the
 United States.

ORDINARY AND INDUSTRIAL
 Life Insurance Policies,
 \$50,000 TO \$15.

—AGENTS WANTED.—
The Prudential Insurance Company
 OF AMERICA,
 JOHN F. DRYDEN, President.
 Home Office: NEWARK, N. J.

Provident Savings Life Assurance Society

OF NEW YORK.

EDWARD W. SCOTT, PRESIDENT.

THE BEST COMPANY FOR POLICY HOLDERS AND AGENTS.

SUCCESSFUL AGENTS AND GENTLEMEN SEEKING REMUNERATIVE BUSINESS OPPORTUNITIES
 MAY APPLY TO THE HEAD OFFICE, GRANT OF THE SOCIETY'S GENERAL AGENTS.

Authorized Capital, \$1,000,000.00.
 Capital paid in, in cash, \$500,000.00.

Assets, \$1,428,593.70.
 Net Surplus, \$333,279.19.

The Guarantors
 LIABILITY-INDemnITY-COMPANY.
 OF PENNSYLVANIA.

CASUALTY INSURANCE.

RICHARD F. LOPER, General Manager, 713 Chestnut St., Philadelphia.
 New York Office: 115 BROADWAY.



